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# Corporate Information

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Chim Kim Lun Ricky  
Mr. Law Fei Shing

#### Independent Non-Executive Directors

Mr. Au Kwok Yee Benjamin  
Ms. Lau Siu Ngor  
Mr. Lum Pak Sum

### AUDIT COMMITTEE

Ms. Lau Siu Ngor (*Chairman*)  
Mr. Lum Pak Sum  
Mr. Au Kwok Yee Benjamin

### REMUNERATION COMMITTEE

Mr. Lum Pak Sum  
Ms. Lau Siu Ngor

### NOMINATION COMMITTEE

Mr. Lum Pak Sum  
Ms. Lau Siu Ngor

### COMPANY SECRETARY

Mr. Law Fei Shing, *AICPA, HKICPA (Practising)*

### AUTHORISED REPRESENTATIVES

Mr. Chim Kim Lun Ricky  
Mr. Law Fei Shing

### 董事會

#### 執行董事

詹劍崙先生  
羅輝城先生

#### 獨立非執行董事

歐國義先生  
劉小娥女士  
林柏森先生

#### 審核委員會

劉小娥女士 (*主席*)  
林柏森先生  
歐國義先生

#### 薪酬委員會

林柏森先生  
劉小娥女士

#### 提名委員會

林柏森先生  
劉小娥女士

#### 公司秘書

羅輝城先生 *AICPA, HKICPA (執業)*

#### 授權代表

詹劍崙先生  
羅輝城先生

# Corporate Information

## 公司資料

### REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1102C, 11th Floor  
Tower I, Admiralty Centre  
18 Harcourt Road  
Hong Kong

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited  
26th Floor, Tesbury Centre  
28 Queen's Road East  
Hong Kong

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

HSBC Bank Bermuda Limited  
6 Front Street  
Hamilton HM11  
Bermuda

### AUDITOR

Morison Heng  
Certified Public Accountants  
7th Floor, Allied Kajima Building  
138 Gloucester Road  
Wanchai  
Hong Kong

### 註冊辦事處

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### 總辦事處及香港主要營業地點

香港  
夏慤道18號  
海富中心1座  
11樓1102C室

### 香港股份過戶登記分處

卓佳登捷時有限公司  
香港  
皇后大道東28號  
金鐘匯中心26樓

### 股份過戶登記總處

HSBC Bank Bermuda Limited  
6 Front Street  
Hamilton HM11  
Bermuda

### 核數師

華利信會計師事務所  
執業會計師  
香港  
灣仔  
告士打道138號  
聯合鹿島大廈7樓

# Executive Director's Statement

## 執行董事報告書

On behalf of the board of directors (the “**Board**”) of Bestway International Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”), I am pleased to present herewith the annual report of the Group for the year ended 31 March 2011.

### BUSINESS REVIEW

#### Plastic and Other Goods Trading

The Group recorded a revenue of HK\$1,855,000 (2010: HK\$14,165,000) which represented a decrease in turnover of approximately 87% over the corresponding last year. Gross profit margin decreased to 5.44% (2010: 10.43%). The decrease of gross profit margin was mainly due to the decrease in the sales of high value added post film products. For PVC film products, the sales volume and average selling price per ton for the year were 41 tons and HK\$12,975 respectively as compared with 1,240 tons and HK\$11,400 for last year. The net loss from continuing operations attributable to the owners of the Company was HK\$204,682,000 compared with a profit of HK\$1,514,000 recorded for the last year. The Group's basic loss per share from continuing and discontinued operations for the year was HK\$9.43 cents when compared with the basic earnings per share of HK\$0.61 cent for last year. The Group's basic loss per share from continuing operations for the year was HK\$9.43 cents when compared with basic earnings per share HK\$0.26 cent for last year.

#### Mining Business

Kainarwolfram LLC and Ikh Uuliin Erdenes LLC (the “**Mongolia Companies**”) own properties under mining licenses which are located in the territory of Nogoonuur Soum, Bayan-Ulgii province.

The Mongolia Companies are doing its best to keep the licenses safe and to comply with the requirements of the Law on Mineral Resources of Mongolia and other legal regulations. The Mongolia Companies paid in time the annual mining license, land use fees, environment fee, all fees related with mining licenses and etc. All the duties related to presentation of annual mining reports and plans to the Mineral Resource Agency are being paid in due time.

We managed to organize the visit of the team of Chinese experts and geologists to the license sites in 2010. Chinese mining experts and geologists did amount of work, which included some works, necessary for the preparation for the mining.

本人謹代表百威國際控股有限公司(「**本公司**」)董事會(「**董事會**」)及其附屬公司(統稱「**本集團**」)欣然提呈本集團截至二零一一年三月三十一日止年度之年報。

### 業務回顧

#### 塑膠及其他貨品買賣

本集團錄得收益1,855,000港元(二零一零年: 14,165,000港元),即營業額較去年下跌約87%。毛利率下降至5.44%(二零一零年: 10.43%)。毛利率下跌主要由於高增值塑膠布產品之銷售下跌。年內,塑膠布產品之銷售量及每噸平均售價分別為41噸及12,975港元,而去年則為1,240噸及11,400港元。來自本公司擁有人應佔持續經營業務的虧損淨額為204,682,000港元,而去年則為溢利1,514,000港元。年內,本集團來自持續及終止經營業務之每股基本虧損為9.43港仙,而去年則為每股基本盈利0.61港仙。年內,本集團來自持續經營業務之每股基本虧損為9.43港仙,而去年則為每股基本盈利0.26港仙。

#### 採礦業務

Kainarwolfram LLC及Ikh Uuliin Erdenes LLC(「**蒙古公司**」)擁有位於巴彥烏列蓋省諾爾市之礦產開採執照。

蒙古公司現盡力繼續持有開採執照及履行蒙古礦產資源法及其他法律規例之規定。蒙古公司已按時支付年度開採執照、土地使用費用、環境費用及與開採執照有關之所有費用,亦已在適當時候向礦產資源專門機構支付有關呈報年度開採報告及計劃之所有稅費。

於二零一零年,我們安排一組中國專家及地質學家到訪已獲執照之礦場。中國採礦專家及地質學家進行相當工作,包括若干準備採礦之必要工作。

# Executive Director's Statement

## 執行董事報告書

Another group of Chinese engineers visited the mine and checked the mining and processing plant equipment.

As a part of marketing activities, in June 2010, representatives of the Mongolia Companies had meetings with an American tungsten company on the possibilities of selling tungsten concentrate. The talks were successful and can be continued when the Mongolia Companies will start the production of tungsten concentrate.

Geologists of the Mongolia Companies constantly working on the geological data of the licensed properties, seeking the possibilities to increase the volume of resources and reserves. More work can be done as preparation for the mining and marketing.

### FUTURE PLAN AND PROSPECTS

Looking ahead, the directors of the Company expect that the operating environment in the plastic trading will be challenging as the sustainable recovery of the world's economy is still uncertain. In order to cope with future challenges and staying competitive, the Group will look for new customers in order to improve the profit margins for the businesses. Moreover, we will keep on monitoring the development of mining business and will endeavor to further explore the mining business in order to contribute a return in the future.

For the purpose of sustaining long term growth and maximizing the shareholders' wealth, the directors will continue to explore all potential opportunities to broaden the Group's income stream.

### APPRECIATION

I would like to extend my gratitude to the members of the Board, our management team and staffs for their loyalty and dedication during the past year. On behalf of the Board of Directors, I wish to convey our most sincere appreciation of the staunch support to our Group from all of our customers and suppliers and during the year.

By order of the Board

**Chim Kim Lun Ricky**  
*Executive Director*

Hong Kong, 27 June 2011

另一組中國工程師已到訪礦場及檢查開採及加工廠房的設備。

作為部份營銷活動，於二零一零年六月，蒙古公司之代表與一間美國鎢公司進行會議，討論銷售鎢精礦之可能性。該次洽談成功，並將於蒙古公司開始生產鎢精礦後繼續洽談。

蒙古公司之地質學家一直專注於已獲執照礦產之地質資料，尋求增加資源及儲量之可能性，並就採礦及營銷進行更多準備工作。

### 未來計劃及前景

展望未來，由於全球經濟持續復甦情況仍然不明朗，本公司董事預期塑膠買賣之經營環境將具挑戰性。為應付未來挑戰及保持競爭力，本集團將開發新客源從而改善業務利潤率。再者，我們將繼續監察採礦業務之發展，並力圖進一步開拓採礦業務從而有助於將來獲得回報。

為保持持續增長及盡量提高股東收益，董事將繼續物色所有具潛力之機會以擴大本集團之收入來源。

### 致謝

本人謹藉此對各董事、管理層及員工於過去一年之竭誠服務及貢獻表示謝意。本人謹代表董事會對本集團所有客戶及供應商於年內對本集團之鼎力支持深表謝忱。

承董事會命

**詹劍崙**  
*執行董事*

香港，二零一一年六月二十七日

# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL SUMMARY

The Group's revenue for the year ended 31 March 2011 was approximately of HK\$1,855,000 and the administrative expenses for the year ended 31 March 2011 were approximately of HK\$4,043,000, which represented a decrease of 56.9% compared to last year.

The loss attributable to the owners of the Company for the year ended 31 March 2011 was HK\$204,682,000, as compared a profit HK\$3,520,000 in the previous year. The loss was mainly derived from the impairment loss recognised in respect of mining rights of HK\$265,473,000.

### CURRENT AND GEARING RATIOS

As at 31 March 2011, the Group's bank balances and cash amounted to HK\$6,331,000 (as at 31 March 2010: HK\$10,871,000). The Group's net assets value amounted to approximately HK\$558,948,000 (as at 31 March 2010: HK\$763,434,000) with total assets approximately HK\$746,857,000 (as at 31 March 2010: HK\$1,019,073,000). Net current assets were approximately HK\$3,267,000 (as at 31 March 2010: HK\$9,984,000). The current ratio was 1.68 times (as at 31 March 2010: 2.48 times) and gearing ratio was 0.25 (as at 31 March 2010: 0.25) represented on the basis of total liabilities over total assets.

### CHARGES ON GROUP'S ASSETS

As at 31 March 2011, the Group had pledged bank deposit of HK\$1,262,000 to secure a short-term banking facilities of the Group.

### CONTINGENT LIABILITIES

As at 31 March 2011, the Group did not have any contingent liabilities. (as at 31 March 2010: Nil).

### FOREIGN CURRENCY EXPOSURE

The Group did not have any significant exposure to and did not hedge against risks associated with foreign currency fluctuation.

### 財務摘要

本集團截至二零一一年三月三十一日止年度之收益為約1,855,000港元。截至二零一一年三月三十一日止年度之行政開支為約4,043,000港元，較去年下跌56.9%。

截至二零一一年三月三十一日止年度，本公司擁有人應佔虧損為204,682,000港元，去年則為溢利3,520,000港元。虧損主要來自265,473,000港元之已確認採礦權減值虧損。

### 流動及資產負債比率

於二零一一年三月三十一日，本集團之銀行結餘及現金為6,331,000港元（於二零一零年三月三十一日：10,871,000港元）。本集團之資產淨值約為558,948,000港元（於二零一零年三月三十一日：763,434,000港元），而資產總值約為746,857,000港元（於二零一零年三月三十一日：1,019,073,000港元）。流動資產淨值約為3,267,000港元（於二零一零年三月三十一日：9,984,000港元）。流動比率為1.68倍（於二零一零年三月三十一日：2.48倍），資產負債比率（負債總額除以總資產）為0.25（二零一零年三月三十一日：0.25）。

### 本集團資產之押記

於二零一一年三月三十一日，本集團已抵押銀行存款為1,262,000港元，以作為本集團一筆短期銀行融資的抵押。

### 或然負債

於二零一一年三月三十一日，本集團並無任何或然負債（於二零一零年三月三十一日：無）。

### 匯兌風險

本集團並無承受任何重大之匯兌風險，亦無對沖與外幣波動有關的風險。

# Management Discussion and Analysis

## 管理層討論及分析

### EMPLOYEE INFORMATION

As at 31 March 2011, the Group had approximately 18 full time managerial and administrative employees (2010:18). The Group affords competitive remuneration packages to its employees based on prevailing and industry practice. Compensation policies are reviewed regularly and are designed to reward and motivate productivity and performance.

### DIVIDENDS

The Directors do not recommend the payment of any dividend in respect of the year ended 31 March 2011 (2010: Nil).

### 僱員資料

於二零一一年三月三十一日，本集團聘用約18名（二零一零年：18名）負責管理及行政工作之全職僱員。本集團根據現行業內慣例向僱員提供具競爭力之薪酬。本公司定期檢討酬金政策，旨在獎勵及提升僱員之生產力及表現。

### 股息

董事並不建議就截至二零一一年三月三十一日止年度派付任何股息（二零一零年：無）。



# Biographical Details of Directors

## 董事履歷詳情

### EXECUTIVE DIRECTORS

**Mr. Chim Kim Lun Ricky**, aged 41, was appointed as executive Director of the Company in September 2007. Mr. Chim graduated from the University of British Columbia in Canada with a bachelor's degree in Arts. Mr. Chim has over 14 years of commercial and industrial experience and of experience in investment. Mr. Chim was an executive director of Yueshou Environmental Holdings Limited (stock code: 1191) for a period from May 2007 to November 2009, Bel Global Resources Holdings Limited (stock code: 761) for a period from April 2007 to November 2008, Hengli Commercial Properties (Group) Limited (stock code: 169) for a period from June 2007 to December 2008 and Huscoke Resources Holdings Limited (Stock Code: 704) for a period from September 2007 to September 2010. Also, he was a chairman, executive director and managing director of Karce International Holdings Company Limited (stock code: 1159) for a period from August 2007 to April 2009. Mr. Chim currently is a chairman and executive director of Asia Resources Holdings Limited (stock code: 899). These companies are listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

**Mr. Law Fei Shing**, aged 51, was appointed as executive Director and company secretary of the Company in January 2009. Mr. Law is a Practising Certified Public Accountants in Hong Kong. He is also a member of American Institute of Certified Public Accountants (AICPA), USA and associate member of the Hong Kong Institute of Certified Public Accountants (HKICPA). Mr. Law has over 21 years of experience in the audit and accounting services. Mr. Law was an executive director and company secretary of Heng Xin China Holdings Limited (stock code: 8046), a company listed on the GEM board of the Stock Exchange, for a period from June 2007 to October 2007. Currently, Mr. Law is a chief executive officer and executive director of Energy International Investments Holdings Limited (stock code: 353) and an executive director of China Boon Holdings Limited (stock code: 922). Both companies are listed on the main board of the Stock Exchange.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Au Kwok Yee Benjamin**, aged 44, was appointed as independent non-executive Director in September 2004. He graduated from the University of Hong Kong with a bachelor's degree in laws in 1991 and obtained a postgraduate certificate in laws in 1992. He is currently the Principal solicitor of Messrs. Benjamin Au & Co Solicitors. He has over 15 years of experience in commercial and corporate matters, civil and criminal litigations, intellectual property, commercial documents drafting and advice and employment matters and appeals. Mr. Au was an independent non-executive director of Anhui Tianda Oil Pipe Company Limited for a period from April 2009 to April 2011 (stock code: 839) which is listed on the main board of the Stock Exchange.

### 執行董事

**詹劍嵩先生**，41歲，於二零零七年九月獲委任為本公司執行董事。詹先生畢業於加拿大英屬哥倫比亞大學，持有文學士學位。詹先生擁有逾14年工商業及投資業務經驗。由二零零七年五月至二零零九年十一月，詹先生為粵首環保控股有限公司（股份代號：1191）、由二零零七年四月至二零零八年十一月為百營環球資源控股有限公司（股份代號：761）、由二零零七年六月至二零零八年十二月為恆力商業地產（集團）有限公司（股份代號：169）及由二零零七年九月至二零一零年九月為和嘉資源控股有限公司（股份代號：704）之執行董事。同時，詹先生由二零零七年八月至二零零九年四月為泰盛實業集團有限公司（股份代號：1159）之主席兼執行董事及董事總經理。詹先生現為亞洲資源控股有限公司（股份代號：899）之主席兼執行董事。此等公司為香港聯合交易所有限公司（「聯交所」）主板上市公司。

**羅輝城先生**，51歲，於二零零九年一月獲委任為本公司執行董事兼公司秘書。羅先生為香港執業會計師。彼亦為美國之美國執業會計師公會會員及香港會計師公會會員。羅先生於核數及會計服務方面積逾21年經驗。羅先生於二零零七年六月至二零零七年十月期間為恒芯中國控股有限公司（股份代號：8046，其公司於聯交所創業板上市）之執行董事兼公司秘書。現時，羅先生為能源國際投資控股有限公司（股份代號：353）之行政總裁兼執行董事及中福控股發展有限公司（股份代號：922）之執行董事。兩間公司均於聯交所主板上市。

### 獨立非執行董事

**歐國義先生**，44歲，於二零零四年九月獲委任為獨立非執行董事。彼於一九九一年畢業於香港大學，取得法律學士學位，並於一九九二年取得法學專業證書。彼目前在歐國義律師行擔任高級律師。彼於商業及企業事務、民事及刑事訴訟、知識產權、商業文件草擬及諮詢以及勞工事務及糾紛方面積逾15年經驗。歐先生於二零零九年四月至二零一一年四月期間擔任聯交所主板上市公司安徽天大石油管材股份有限公司（股份代號：839）之獨立非執行董事。

## Biographical Details of Directors 董事履歷詳情

**Ms. Lau Siu Ngor**, aged 47, was appointed as independent non-executive Director of the Company in September 2009. She received a Master degree in Business Administration from Lancaster University of the United Kingdom in 1995 and a Bachelor degree of Science (Honours) in Computer Studies from the City University of Hong Kong in 1993. She is a fellow member of the Chartered Institute of Management Accountants (CIMA) of the United Kingdom and a fellow member of the Hong Kong Institute of Certified Public Accountants (HKICPA). She had previously assumed the positions of financial controller and accountant in various companies and has extensive experience in financial industry.

**Mr. Lum Pak Sum**, aged 50, was appointed as independent non-executive Director of the Company in March 2010. He holds a master degree in business administration from the University of Warwick, UK and a LLB (Honours) degree from the University of Wolverhampton, UK. He is currently a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants, UK. Mr. Lum was an independent non-executive director of Grand Field Group Holdings Limited (stock code: 115) for a period from July 2004 to May 2008, KH Investment Holdings Limited (stock code: 8172) for a period from September 2005 to December 2008 and Heng Xin China Holdings Limited (stock code: 8046) for a period from June 2007 to November 2008. Currently, he is an independent non-executive director of Waytung Global Group Limited (stock code: 21), Energy International Investments Holdings Limited (stock code: 353), Karce International Holdings Company Limited (stock code: 1159), Radford Capital Investment Limited (stock code: 901) and Asia Resources Holdings Limited (stock code: 899). These companies are listed on the Stock Exchange.

**劉小娥女士**，47歲，於二零零九年九月獲委任為本公司獨立非執行董事。彼於一九九五年獲得英國蘭開斯特大學 (Lancaster University) 之工商管理碩士學位，並於一九九三年獲得香港城市大學電腦科學榮譽理學士學位。彼為英國特許管理會計師公會之資深會員及香港會計師公會之資深會員。彼之前曾於多間公司擔任財務總監及會計師之職務，於金融業擁有豐富經驗。

**林柏森先生**，50歲，於二零一零年三月獲委任為本公司獨立非執行董事。彼持有英國華威大學工商管理碩士學位及英國Wolverhampton大學法律榮譽學位。彼現時為香港會計師公會及英國特許公認會計師公會資深會員。林先生於二零零四年七月至二零零八年五月期間擔任鈞濠集團有限公司 (股份代號：115)、於二零零五年九月至二零零八年十二月期間擔任中國星電影集團有限公司 (股份代號：8172) 及於二零零七年六月至二零零八年十一月期間擔任恒芯中國控股有限公司 (股份代號：8046) 之獨立非執行董事。現時，彼為滙通天下集團有限公司 (股份代號：21)、能源國際投資控股有限公司 (股份代號：353)、泰盛實業集團有限公司 (股份代號：1159)、萊福資本投資有限公司 (股份代號：901) 及亞洲資源控股有限公司 (股份代號：899) 之獨立非執行董事。該等公司均於聯交所上市。

# Report of the Directors

## 董事會報告

The Directors present their report and the audited financial statements of the Group for the year ended 31 March 2011.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the Group were the trading of plastic products, mainly PVC films and mining business.

### RESULTS AND DIVIDEND

The results of the Group for the year ended 31 March 2011 are set out in the consolidated financial statements on pages 32 to 84. The Directors do not recommend the payment of any dividend in respect of the year.

### SUMMARY FINANCIAL INFORMATION

The following is a summary of the published results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the audited financial statements and restated/reclassified as appropriate. This summary does not form a part of the audited financial statements.

董事謹提呈本集團截至二零一一年三月三十一日止年度之報告及經審核財務報表。

### 主要業務

本公司之主要業務為投資控股。本集團之主要業務為塑膠產品（主要為塑膠布）買賣及採礦業務。

### 業績及股息

本集團截至二零一一年三月三十一日止年度之業績載於綜合財務報表第32頁至第84頁。董事並不建議就本年度派付任何股息。

### 財務資料概要

以下為過去五個財政年度本集團已公佈業績及資產、負債及非控股權益之概要，該等資料摘錄自經審核財務報表，並已適當地重列／重新分類。此概要並不構成經審核財務報表之一部份。

# Report of the Directors

## 董事會報告

### RESULTS

### 業績

		Years ended 31 March 截至三月三十一日止年度				
		2011 HK\$'000	2010 HK\$'000	2009 HK\$'000	2008 HK\$'000 (Restated)	2007 HK\$'000 (Restated)
		二零一一年 千港元	二零一零年 千港元	二零零九年 千港元	二零零八年 千港元 (經重列)	二零零七年 千港元 (經重列)
Revenue	收益	<b>1,855</b>	14,165	16,966	12,709	2,224
(Loss)/Profit before taxation from continuing operations	持續經營業務之 除稅前(虧損)/ 溢利	<b>(271,050)</b>	1,514	(3,744)	(2,761)	(2,296)
Taxation	稅項	<b>66,368</b>	–	–	720	–
(Loss)/Profit for the year from continuing operations	年度持續經營業務之 (虧損)/溢利	<b>(204,682)</b>	1,514	(3,744)	(2,041)	(2,296)
(Loss)/Profit for the year from discontinued operations	年度終止經營 業務之(虧損)/ 溢利	–	2,006	6,955	(21,374)	(16,402)
(Loss)/Profit for the year	年度(虧損)/溢利	<b>(204,682)</b>	3,520	3,211	(23,415)	(18,698)
Attributable to :	應佔：					
Owners of the Company	本公司擁有人	<b>(204,682)</b>	3,520	3,286	(21,001)	(18,398)
Non-controlling interests	非控股權益	–	–	(75)	(2,414)	(300)
		<b>(204,682)</b>	3,520	3,211	(23,415)	(18,698)

# Report of the Directors

## 董事會報告

### ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS

### 資產、負債及非控股權益

		At 31 March 於三月三十一日				
		2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元	2009 HK\$'000 二零零九年 千港元	2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
Property, plant and equipment	物業、廠房及設備	314	345	8	59,159	59,933
Prepaid land lease payments	預付土地租賃款項	-	-	-	3,681	3,942
Long term receivables/Long term investments	長期應收賬款／ 長期投資	-	-	2,436	2,660	2,643
Exploration and evaluation assets	勘探及評估資產	2,837	863	-	-	-
Mining rights	採礦權	735,657	1,001,130	-	-	-
Current assets	流動資產	8,049	16,735	166,421	121,953	127,586
<b>Total assets</b>	<b>總資產</b>	<b>746,857</b>	<b>1,019,073</b>	<b>168,865</b>	<b>187,453</b>	<b>194,104</b>
Current liabilities	流動負債	(4,782)	(6,751)	(76,362)	(87,745)	(106,446)
Long term portion of interest-bearing bank and other borrowings	計息銀行及其他借貸之長期部份	-	-	-	(11,389)	(10,571)
Promissory notes	承兌票據	(19,214)	(18,607)	-	-	-
Deferred tax liabilities	遞延稅項負債	(163,913)	(230,281)	-	-	-
<b>Total liabilities</b>	<b>負債總額</b>	<b>(187,909)</b>	<b>(255,639)</b>	<b>(76,362)</b>	<b>(99,134)</b>	<b>(117,017)</b>
Non-controlling interests	非控股權益	-	-	-	(2,021)	(4,259)
		<b>558,948</b>	<b>763,434</b>	<b>92,503</b>	<b>86,298</b>	<b>72,828</b>

# Report of the Directors

## 董事會報告

### PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of Group during the year are set out in note 14 to the financial statements.

### SHARE CAPITAL

Details of the movements in the share capital of the Company during the year, together with the reasons therefor, are set out in note 22 to the financial statements.

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws or the laws of Bermuda which would oblige the Company to offer new Shares on a pro rata basis to existing Shareholders of the Company.

### PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year.

### RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 25 and in the consolidated statement of changes in equity respectively.

### DISTRIBUTABLE RESERVES

At 31 March 2011, the Company had no retained profits available for cash distribution and/or distribution in specie. Under the Bermuda Companies Act 1981, the Company's contributed surplus of HK\$159,393,000 is currently not available for distribution. The Company's share premium account in the amount of HK\$423,048,000 may be distributed in the form of fully paid bonus Shares.

### 物業、廠房及設備

本集團年內之物業、廠房及設備變動詳情載於財務報表附註14。

### 股本

本公司年內之股本變動詳情連同其原因，載於財務報表附註22。

### 優先購買權

本公司之章程細則或百慕達法例均無條文規定本公司須按持股票量比例向本公司現有股東發行新股之優先購買權。

### 購買、出售或贖回本公司之上市股份

本公司及其任何附屬公司於年內概無購買、贖回或出售本公司任何上市證券。

### 儲備

本公司及本集團於年內之儲備變動詳情分別載於附註25及綜合權益變動表。

### 可分派儲備

於二零一一年三月三十一日，本公司並無可供現金分派及／或實物分派之保留溢利。根據一九八一年百慕達公司法，本公司之實繳盈餘159,393,000港元現時並不可供分派，本公司之股份溢價賬423,048,000港元或可按繳足紅股之形式作分派。

# Report of the Directors

## 董事會報告

### MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 March 2011, sales to the Group's five largest customers accounted for 100% (2010: 56%) of the total sales for the year and sales to the largest customer included therein amounted to 71% (2010: 28%). Purchases from the Group's five largest suppliers accounted for 100% (2010: 73%) of the total purchases for the year and purchases from the largest supplier included therein amounted to 72% (2010: 28%).

None of the Directors of the Company or any of their associates or any Shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued Share capital) had any beneficial interest in the Group's five largest customers or suppliers during the year. The Group's concentration of credit risk on trade receivables as at 31 March 2011 is mainly from five major customers which accounted for 100% (2010: 100%) of trade receivables mainly from Hong Kong. The Group has closely monitored the recoverability of trade receivables and taken effective measures to ensure timely collection of outstanding balances.

### DIRECTORS

The Directors of the Company during the year and up to the date of this report were:

#### Executive Directors

Mr. Chim Kim Lun Ricky  
Mr. Law Fei Shing  
Mr. Sun Danny (Resigned on 24 September 2010)

Ms. Yang Lee (Resigned on 24 September 2010)

### 主要客戶及主要供應商

截至二零一一年三月三十一日止年度，向本集團五大客戶作出之銷售額佔本年度銷售總額100%（二零一零年：56%），其中向最大客戶作出之銷售額則佔71%（二零一零年：28%）。本集團向五大供應商購貨之採購額佔本年度採購總額100%（二零一零年：73%），其中向最大供應商購貨之採購額則佔72%（二零一零年：28%）。

年內，本公司各董事或彼等之任何聯繫人士或任何就董事所知擁有本公司已發行股本5%以上之股東概無於本集團五大客戶或五大供應商中擁有任何實益權益。於二零一一年三月三十一日，本集團貿易應收賬款之信貸風險主要集中來自五大客戶，共佔貿易應收賬款100%（二零一零年：100%），主要來自香港。本集團已密切監察貿易應收賬款之可收回程度及採取有效措施，以確保能適時收回未收回餘額。

### 董事

本公司本年度及截至本報告刊發日期之董事載列如下：

#### 執行董事

詹劍崙先生  
羅輝城先生  
Sun Danny先生（於二零一零年九月二十四日辭任）  
Yang Lee女士（於二零一零年九月二十四日辭任）

# Report of the Directors

## 董事會報告

### DIRECTORS (Continued)

#### Independent Non-Executive Directors

Mr. Au Kwok Yee Benjamin  
Ms. Lau Siu Ngor  
Mr. Lum Pak Sum

In accordance with clauses 86(2) and 87 of the Company's Bye-laws, Mr. Law Fei Shing and Mr. Au Kwok Yee Benjamin will retire and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

The Company has received annual confirmations of independence from Mr. Au Kwok Yee Benjamin, Ms. Lau Siu Ngor and Mr. Lum Pak Sum, and as at the date of this report still considers them to be independent.

#### BIOGRAPHICAL DETAILS OF DIRECTORS

Biographical details of the Directors of the Company are set out on pages 8 to 9 of the annual report.

#### DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Company within one year without payment of compensation.

#### DIRECTORS' EMOLUMENTS

The directors' fees are subject to shareholders' approval at annual general meeting with reference to the recommendation of the Group's remuneration committee. Other emoluments are determined by the Company's board of directors with reference to directors' duties, responsibilities and performance and results of the Group.

### 董事 (續)

#### 獨立非執行董事

歐國義先生  
劉小娥女士  
林柏森先生

按照本公司章程細則第86(2)及87條，羅輝城先生及歐國義先生於應屆股東週年大會上依章告退，惟彼等均符合資格並願意膺選連任。

本公司已取得歐國義先生、劉小娥女士及林柏森先生之年度獨立性確認書，於本報告刊發日期，彼等一直被視為獨立人士。

#### 董事履歷詳情

本公司董事履歷詳情載於年報第8頁至第9頁。

#### 董事之服務合約

在即將舉行之股東週年大會上獲提名連任之董事概無與本公司及其任何附屬公司訂立任何不可由本公司於一年內終止而毋須作出補償之服務合約。

#### 董事酬金

董事袍金須於股東週年大會上提交股東批准，並參照本集團薪酬委員會之建議。其他薪酬乃由本公司董事會參照董事工作、職責及本集團之表現及業績而釐定。



# Report of the Directors

## 董事會報告

### DIRECTORS' INTERESTS IN CONTRACTS

No Director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

### MANAGEMENT CONTRACT

No contract concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or were in existence during the year.

### PENSION SCHEME ARRANGEMENT

Particulars of the pension scheme arrangements are set out in note 3 to the financial statements.

### DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

At 31 March 2011, none of the Directors or chief executive of the Company and their associates had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required pursuant to Section 352 of the SFO to be entered in the register maintained by the Company referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code").

### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Directors or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

### 董事於合約中之權益

年內，董事於本公司或其任何附屬公司所訂立對本集團業務有重大影響之合約中概無重大權益。

### 管理層合約

年內並無訂立或存在有關本公司整體或任何重大部份業務之管理及行政合約。

### 退休金計劃安排

退休金計劃安排詳情載於財務報表附註3。

### 董事於股份、相關股份及債券之權益及短倉

於二零一一年三月三十一日，董事及本公司主要行政人員及彼等之聯繫人士概無於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之任何股份、相關股份及債券中，擁有根據證券及期貨條例第XV部第7及第8分部（包括根據證券及期貨條例有關條文當作或視作擁有之權益及短倉）須知會本公司及聯交所之權益或短倉，或遵照證券及期貨條例第352條須載入該條文所述本公司存置之登記冊之權益或短倉，或根據上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之權益或短倉。

### 董事獲得股份或債券之權利

於年內任何時間，任何董事或其配偶或其未成年之子女概無獲授任何權利可藉著收購本公司之股份或債券而獲益，而彼等亦無行使任何該等權利；或本公司或其任何附屬公司並無參與任何安排，致使董事於任何其他法人團體取得該等權利。

# Report of the Directors

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

At 31 March 2011, the following interests of 5% or more of the issued Share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

#### Long position in the shares of the Company

Name of shareholders	Capacity	Class of shares of the Company	Number of shares held	% of issued share capital of the relevant class of shares (Note 1) 佔相關類別股份已發行股本百分比 (附註1)
股東名稱	身份	本公司股份類別	所持有股份數目	
Global Grand Resources Corporation	Beneficial Owner 實益擁有人	Preference 優先股	564,000,000 (Note 2) (附註 2)	100%
Mr. Sun Tak Keung 辛德強先生	Interest of Controlled Corporation 控制法團之權益	Preference 優先股	564,000,000 (Note 2) (附註 2)	100%
Kobayashi Shigenobu	Beneficial Owner 實益擁有人	Ordinary 普通股	646,666,666	24.22%
Mr. Chen Yiqiu 陳益秋先生	Beneficial Owner 實益擁有人	Ordinary 普通股	340,000,000	12.74%
Global Grand Resources Corporation	Beneficial Owner 實益擁有人	Ordinary 普通股	37,000,000 (Note 2) (附註 2)	1.39%
Mr. Sun Tak Keung 辛德強先生	Interest of Controlled Corporation 控制法團之權益	Ordinary 普通股	37,000,000 (Note 2) (附註 2)	1.39%

### 主要股東於本公司股份及相關股份之權益及短倉

於二零一一年三月三十一日，按本公司根據證券及期貨條例第336條存置之權益登記冊所載，擁有本公司已發行股本5%或以上權益之股東載列如下：

#### 於本公司股份之長倉

# Report of the Directors

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

(Continued)

Notes:

1. The percentages are calculated based on the total number of ordinary shares and preference shares (as appropriate) of the Company in issue as at 31 March 2011, which were 2,669,562,180 and 564,000,000 respectively.
2. Global Grand Resources Corporation is a company incorporated under the laws of the British Virgin Islands, the entire issued share capital of which is legally and beneficially owned by Mr. Sun Tak Keung. Mr. Sun Tak Keung therefore deemed to be interested in 564,000,000 convertible preference shares and 37,000,000 ordinary shares held by Global Grand Resources Corporation.

Save as disclosed above, as far as the Directors are aware, as at 31 March 2011, no other person had an interest or short position in the Company's shares or underlying shares which would fall to be disclosed to the Company under the provisions of the Divisions 2 and 3 of Part XV of the SFO, or which was recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

### 主要股東於本公司股份及相關股份 之權益及短倉 (續)

附註:

1. 百分比乃根據本公司於二零一一年三月三十一日之已發行普通股及優先股(如適用)總數(即分別為2,669,562,180股及564,000,000股)計算。
2. Global Grand Resources Corporation 為一間根據英屬處女群島註冊成立之公司,其全部已發行股本由辛德強先生合法及實益擁有。辛德強先生因而被視為於由Global Grand Resources Corporation持有之564,000,000股可換股優先股及37,000,000股普通股中擁有權益。

除上文所披露者外及據董事所知,於二零一一年三月三十一日,概無其他人士於本公司之股份或相關股份中,擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露之權益或短倉,或遵照證券及期貨條例第336條須載入本公司存置之登記冊之權益或短倉。

# Report of the Directors

## 董事會報告

### SHARE OPTION SCHEME

The share option scheme for the employees and executive directors of the Company and its subsidiaries which was adopted at a special general meeting of the shareholders of the Company held on 13 September 1995 was terminated at the annual general meeting of the Company held on 19 August 2003. At the same annual general meeting, a new share option scheme, details of which appeared in a circular of the Company to shareholders of 25 July 2003, was approved.

On 25 September 2006, the Company had granted 281,000,000 share options to directors and employees at exercise price of HK\$0.035 per share. On 14 December 2006, the Company passed a resolution of capital reorganisation by the shareholders at the special general meeting involving:

- the capital reduction involves a reduction in the nominal value of each existing share in issue of HK\$0.01 to HK\$0.005;
- the share consolidation would be implemented whereby 20 existing shares of HK\$0.005 each in the issued or unissued share capital of the Company resulting from the capital reduction would be consolidated into one consolidated Share of HK\$0.10.

As a result, the share options exercise price need to be consolidated at HK\$0.70 per share and the number of share options granted need to be consolidated to 14,050,000 share options on 15 December 2006.

All the share options granted were expired and no outstanding share options remained for the years ended 31 March 2011 and 31 March 2010.

### 購股權計劃

本公司曾於一九九五年九月十三日舉行之股東特別大會上採納一項為本公司及其附屬公司之僱員及執行董事而設之購股權計劃，而有關計劃已於二零零三年八月十九日舉行之本公司股東週年大會上終止。在同一股東週年大會上，新購股權計劃獲批准，其詳情見本公司於二零零三年七月二十五日致股東之通函。

於二零零六年九月二十五日，本公司以行使價每股0.035港元授予董事及僱員281,000,000份購股權。於二零零六年十二月十四日，本公司股東於股東特別大會通過一項股本重組決議案，當中涉及：

- 削減股本，將每股已發行現有股份之面值由0.01港元減至0.005港元；
- 實行股份合併，將本公司已發行及未發行股本中因股本削減所產生之每20股每股面值0.005港元之現有股份合併為一股面值為0.10港元之合併股份。

因此，於二零零六年十二月十五日，購股權之行使價須合併為每股0.70港元，而所授出購股權數目須合併為14,050,000份購股權。

於截至二零一一年三月三十一日及二零一零年三月三十一日止年度，所有已授出購股權已屆滿，且並無尚未行使購股權。

# Report of the Directors

## 董事會報告

### RELATED PARTY AND CONNECTED TRANSACTION

During the year, there were no transactions required to be disclosed as related party and connected transactions in accordance with requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

### DIRECTORS’ INTERESTS IN A COMPETING BUSINESS

None of the Directors of the Company or their respective associates was interested in, apart from the Group’s businesses, any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

### CORPORATE GOVERNANCE

In the opinion of the Directors, the Company has complied with the Code on Corporate Governance Practices (the “**CG Codes**”) as set out in Appendix 14 of the Listing Rules throughout the accounting period covered by the annual report, except for certain deviations, please refer to the Corporate Governance Report on pages 22 to 29 of the annual report.

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has, during the year and up to the date of this report, maintained a public float of not less than 25% of the Company’s issued shares as required under the Listing Rules.

### 關連人士及關連交易

年內，並無交易須根據聯交所證券上市規則（「上市規則」）之規定以關連人士及關連交易披露。

### 董事於競爭業務之權益

除本集團業務外，本公司董事及彼等各自之聯繫人士概無於任何與本集團業務直接或間接構成或可能構成競爭之業務中擁有權益。

### 企業管治

董事認為，本公司已於年報所涵蓋之整個會計期間內遵守上市規則附錄14中之《企業管治常規守則》（「企業管治守則」），惟若干偏離者除外，請參閱年報第22頁至第29頁之企業管治報告。

### 足夠之公眾持股量

根據本公司從公開途徑取得之資料並在董事知悉之範圍內，本公司於年內及截至本報告日期止，已按上市規則之規定將本公司已發行股份之公眾持股量維持於不少於25%。

# Report of the Directors

## 董事會報告

### AUDIT COMMITTEE

The Company has an Audit Committee which was established in compliance with the CG Codes contained in Appendix 14 of the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Group's audited financial statements for the year ended 31 March 2011 has been reviewed by the Audit Committee. The Audit Committee comprises the three independent non-executive Directors of the Company, and meets at least twice annually to perform their duties.

### AUDITOR

The financial statements for the year ended 31 March 2011 have been audited by Morison Heng, Certified Public Accountants, who retire and being eligible offer themselves for re-appointment.

ON BEHALF OF THE BOARD

**Chim Kim Lun Ricky**

*Executive Director*

Hong Kong  
27 June 2011

### 審核委員會

本公司已遵照上市規則附錄14中之企業管治守則成立審核委員會，以審視及監督本集團之財務報告程序及內部控制。審核委員會已審閱本集團截至二零一一年三月三十一日止年度之經審核財務報表。審核委員會由本公司三位獨立非執行董事組成，並每年至少舉行兩次會議以履行其職責。

### 核數師

截至二零一一年三月三十一日止年度之財務報表已由執業會計師華利信會計師事務所審核，該會計師已退任且符合資格並願意獲續聘。

代表董事會

執行董事

**詹劍崙**

香港  
二零一一年六月二十七日

# Corporate Governance Report

## 企業管治報告

The Board of the Directors (the “**Board**”) is committed to maintain statutory and regulatory standards and adherence to the principle of corporate governance with emphasis on transparency, independence, accountability and responsibility. The Board reviews its corporate governance practices from time to time in order to meet the rising expectations of Shareholders and comply with increasingly stringent regulatory requirements, and to fulfill its commitment to excellence in corporate governance.

The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) has issued Appendix 14 of the Rules Governing the Listing of Securities of the Stock Exchange (the “**Listing Rules**”) relating to “The Code on Corporate Governance Practices (the “**CG Codes**”)” for the listed company to comply with. In the opinion of the Directors, the Company has complied with CG Codes throughout the year, except for the certain deviations from the CG Codes, which are explained in the following paragraphs.

## THE BOARD

### Responsibilities

The overall management of the Company’s business is vested in the Board, which assumes responsibility for leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. All Directors should take decisions objectively in the interests of the Company.

The Board reserves for its decisions all major matters of the Company, including: the approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions, financial information, appointment of Directors and other significant financial and operational matters.

董事會（「**董事會**」）致力維持有關法定及監管標準，並緊守企業管治之原則，強調透明、獨立、問責及負責。為了達到股東對企業管治水平不斷提升之期望，符合日趨嚴謹之法規要求，以及履行其良好企業管治之承諾，董事會將不時檢討其企業管治守則。

上市公司須遵守香港聯合交易所有限公司（「**聯交所**」）發出之聯交所證券上市規則（「**上市規則**」）附錄14之《企業管治常規守則》（「**企業管治守則**」）。董事認為，除若干偏離企業管治守則之情況外，本公司全年一直遵守企業管治守則，偏離詳情於以下段落說明。

## 董事會

### 職責

本公司之整體業務由董事會負責管理。董事會負責本公司之領導及監控，並對本公司之成功負共同責任。全體董事均客觀就本公司利益作出決定。

董事會保留就本公司所有重要事項作出決策之權力，包括批准及監控所有政策、整體策略及預算、內部監控及風險管理制度、重大交易、財務資料、委任董事及其他重大財務及營運事宜。

# Corporate Governance Report

## 企業管治報告

### THE BOARD *(Continued)*

#### Composition

The Board currently comprises the following Directors:

##### **Executive Directors**

Mr. Chim Kim Lun Ricky

Mr. Law Fei Shing

##### **Independent Non-Executive Directors**

Mr. Au Kwok Yee Benjamin

Ms. Lau Siu Ngor

Mr. Lum Pak Sum

The list of Directors (by category) is also disclosed in all corporate communications issued by the Company pursuant to the Listing Rules from time to time.

Biographical details of the Directors of the Company as at the date of this annual report are set out in the “Biographical Details of Directors” section on pages 8 to 9 of this annual report. None of the Directors has any financial, business, family or other material or relevant relationships among members of the Board.

All Directors are regularly updated on governance and regulatory matters. There is a procedure to enable Directors, upon reasonable request, to seek independent professional advice in appropriate circumstances at the expense of the Company in order to discharge of their duties.

### 董事會 (續)

#### 組成

本公司董事會現時由以下董事組成：

##### **執行董事**

詹劍崙先生

羅輝城先生

##### **獨立非執行董事**

歐國義先生

劉小娥女士

林柏森先生

董事名單 (按類別排列) 亦於本公司根據上市規則不時發出之所有企業通訊中披露。

本公司董事於本年報日期之簡介載於本年報第8頁至第9頁之「董事履歷詳情」一節。董事會成員間並無任何財務、業務、家屬或其他重大或相關關係。

全體董事均定期獲得有關管治及監管事宜之更新資訊。董事可根據程序，按合理要求於合適情況下尋求獨立專業意見，以協助履行其於本公司之職責，有關費用由本公司支付。



# Corporate Governance Report

## 企業管治報告

### THE BOARD *(Continued)*

#### Composition *(Continued)*

During the year, 2 regular and 2 irregular Board meetings were held. The Directors can include matters for discussion in the agenda if necessary. Agenda and accompanying Board papers in respect of Board meetings are sent out in full to all Directors within reasonable time before the meeting. Minutes of Board meetings are kept by duly appointed secretaries of the respective meetings and record in sufficient detail the matters considered by the Board and decision reached and sent to all Directors for their comment and records respectively within a reasonable time after the Board meeting was held.

All Directors have access to Board papers and related materials, and are provided with adequate information on a timely manner, which enable the Board to make an informed decision on matters placed before it.

During the year ended 31 March 2011, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one independent non-executive Director possessing appropriate professional qualifications or accounting or related financial management expertise.

All the independent non-executive Directors of the Company have been appointed for a specific terms and are subject to retirement by rotation and re-election in accordance with the Company's Bye-laws.

The Company has received written annual confirmation from each independent non-executive Director of his/her independence pursuant to the requirements of the Listing Rules. The Company considers all independent non-executive Directors to be independent in accordance with the independence guidelines as set out in the Listing Rules.

The Company has a formal, considered and transparent procedure for the appointment of new Directors to the Board and all Directors should be subject to re-election at regular intervals. Upon the resignation of a Director, we made an announcement publicly and explain the reasons for the resignation.

### 董事會 (續)

#### 組成 (續)

年內，董事會召開了2次定期董事會會議及2次臨時董事會會議。如有需要，董事可將討論事項納入有關議程。董事會會議之議程及附連之董事會文件在開會前一段合理時間內派發予所有董事。董事會之會議紀錄由獲委任之秘書備存，詳列會議上董事會所考慮事項及達致之決定，並於董事會會議結束後合理時間內送交全體董事，供董事表達意見及紀錄之用。

全體董事均有權查閱董事會之文件及有關資料，並會及時獲得充分資料，確保董事會可就提呈會議之事項作出知情決定。

於截至二零一一年三月三十一日止年度，董事會一直符合上市規則之規定，委任最少三名獨立非執行董事，而其中最少一名獨立非執行董事須具備適當專業資格，或具備會計或有關財務管理之專業知識。

根據本公司之章程細則，全體獨立非執行董事均按特定任期委任，並須輪席退任及接受重選。

本公司已收到每名獨立非執行董事根據上市規則發出之年度獨立確認書。根據上市規則所載之獨立指引，本公司認為所有獨立非執行董事均為獨立。

本公司已制訂正式、周詳而透明度高的新董事委任程序，所有董事均須定期重選。董事辭任時，本公司須作出公佈並解釋辭任理由。

# Corporate Governance Report

## 企業管治報告

### THE BOARD (Continued)

#### Directors' Attendance Records

The number of full Board Meetings and Committee Meetings attended by each Director during the year under review is set out in the following table. Figure in brackets indicates the number of meetings held in the period in which the individual was a Board member or Committee member.

Name of Director 董事姓名		Full Board meetings 全體董事會會議	Audit Committee meetings 審核委員會會議	Remuneration Committee meetings 薪酬委員會會議	Nomination Committee meetings 提名委員會會議
<b>Executive Directors</b> <b>執行董事</b>					
Mr. Chim Kim Lun Ricky	詹劍崙先生	4/(4)	N/A不適用	N/A不適用	N/A不適用
Mr. Law Fei Shing	羅輝城先生	4/(4)	N/A不適用	N/A不適用	N/A不適用
Mr. Sun Danny (Note 1)	Sun Danny先生(附註1)	1/(2)	N/A不適用	N/A不適用	N/A不適用
Ms. Yang Lee (Note 2)	Yang Lee女士(附註2)	0/(2)	N/A不適用	N/A不適用	N/A不適用
<b>Independent non-executive Directors</b> <b>獨立非執行董事</b>					
Mr. Au Kwok Yee Benjamin	歐國義先生	4/(4)	2/(2)	N/A不適用	N/A不適用
Ms. Lau Siu Ngor	劉小娥女士	4/(4)	2/(2)	1/(1)	0/(0)
Mr. Lum Pak Sum	林柏森先生	4/(4)	2/(2)	1/(1)	0/(0)

Notes:

- Mr. Sun Danny resigned on 24 September 2010.
- Ms. Yang Lee resigned on 24 September 2010.

### COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

During the year ended 31 March 2011, the Board has adopted and complied with the code provisions of the CG Codes in so far they are applicable except for the following deviations.

### 董事會(續)

#### 董事出席紀錄

各董事於回顧年內出席之全體董事會會議及委員會會議次數載於下表。括弧內之數字指該人士擔任董事會成員或委員會成員期內所舉行之會議數目。

附註：

- Sun Danny先生於二零一零年九月二十四日辭任。
- Yang Lee女士於二零一零年九月二十四日辭任。

### 遵守《企業管治常規守則》

董事會已於截至二零一一年三月三十一日止年度內採納及遵守企業管治守則內適用之守則條文，惟偏離以下守則條文除外。

# Corporate Governance Report

## 企業管治報告

### COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

CG Codes provision A.1.1, it stipulates that the Board should meet regularly and board meeting should be held at least four times a year at approximately quarterly intervals. During the year, only two regular board meetings were held to review and discuss the annual and interim results. The Company does not announce its quarterly results and hence does not consider the holding of quarterly meetings as necessary.

CG Codes provision A.2.1, it stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Following the resignation of Mr. Tang Kuan Chien at the meeting of the board of directors of the Company held on 2 November 2009, he ceased to be chairman, chief executive officer, executive director and authorised representative of the Company with effect from 2 November 2009. The Company is still looking for suitable candidates to fill the vacancies of chairman and chief executive officer as soon as practicable and further announcement will be made by the Company upon fulfillment of those requirements under the Listing Rules.

CG Codes provision E.1.2, it stipulates that the chairman of the Board should attend the annual general meeting (the "AGM") of the Company. The chairman did not attend the 2010 AGM due to the chairman is vacated. An executive director had chaired the 2010 AGM and answered questions from the shareholders.

### Remuneration Committee

The Company has set up a remuneration committee with written terms of reference in compliance with the CG Codes as set out in Appendix 14 of the Listing Rules to ensure that there are formal and transparent procedures for setting policies on the remuneration of Directors and senior management. The remuneration committee currently comprises Ms. Lau Siu Ngor and Mr. Lum Pak Sum. The remuneration committee is chaired by Mr. Lum Pak Sum.

During the year ended 31 March 2011, one remuneration committee meeting was held to review the remuneration package of the Board members.

### 遵守《企業管治常規守則》(續)

企業管治守則第A.1.1條訂明，董事會應定期舉行會議，而每年應至少舉行四次董事會會議，大約是每季一次。年內，只曾舉行兩次定期董事會會議，分別審閱及討論年度及中期業績。本公司並無公佈季度業績，故認為毋須每季舉行會議。

企業管治守則第A.2.1條訂明，主席與行政總裁之角色應有區分，並不應由同一人兼任。唐貫健先生於二零零九年十一月二日舉行之本公司董事會會議上呈辭後，由二零零九年十一月二日起已不再為本公司主席、行政總裁、執行董事及授權代表。本公司現正於可行情況下盡快物色合適人選，以填補主席及行政總裁空缺，並將於符合上市規則之規定時另行發表公佈。

企業管治守則第E.1.2條訂明，董事會主席應出席本公司之股東週年大會（「股東週年大會」），惟由於董事會主席出缺，故無主席出席二零一零年股東週年大會，改由一名執行董事主持二零一零年股東週年大會及回答股東提問。

### 薪酬委員會

本公司遵照上市規則附錄14所載之企業管治守則成立薪酬委員會，並訂有書面職權範圍，以確保在制定董事及高級管理層之薪酬政策上採納正式及透明之程序。薪酬委員會現時由劉小娥女士及林柏森先生組成。薪酬委員會之主席為林柏森先生。

於截至二零一一年三月三十一日止年度，薪酬委員會共舉行了一次會議，以檢討董事會成員之薪酬。

# Corporate Governance Report

## 企業管治報告

### COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

#### Nomination Committee

The Company has set up a nomination committee with written terms of reference in compliance with the CG Codes as set out in Appendix 14 of the Listing Rules to ensure fair and transparent procedures for appointment, re-election and removal of Directors to the Board. The nomination committee currently comprises Ms. Lau Siu Ngor and Mr. Lum Pak Sum.

During the year ended 31 March 2011, no nomination committee meeting was held. At present, the nomination committee is looking for suitable chief executive officer and chairman of the Company to fulfill the CG Codes provision A.2.1 requirement.

#### Audit Committee

The audit committee currently comprises Mr. Au Kwok Yee Benjamin, Ms. Lau Siu Ngor and Mr. Lum Pak Sum. The audit committee is chaired by Ms. Lau Siu Ngor.

The principal duties of the audit committee are considered significant accounting policies used to prepare the financial statements, and any changes to them, and significant estimates or judgments on which the financial statements have been based, taking the external auditors' views into consideration, consider the clarity and completeness of the disclosures in the financial statements. During the year ended 31 March 2011, two audit committee meetings were held, reviewing the financial reporting matters of the Group. The terms of reference of the audit committee are consistent with the terms set out in relevant section of the CG Codes.

All the members of the audit committee are confirmed to be independence with reference to Rule 3.13 of the Listing Rules.

The audit committee provides supervision on the internal control system of the Group and reports to the Board on any material issues, and makes recommendations to the Board.

### 遵守《企業管治常規守則》(續)

#### 提名委員會

本公司遵照上市規則附錄14所載之企業管治守則成立提名委員會，並訂有書面職權範圍，以確保在委任、重選及撤換董事會董事之事宜上採納公平及透明之程序。提名委員會現時由劉小娥女士及林柏森先生組成。

截至二零一一年三月三十一日止年度，未曾召開提名委員會會議。現時委員會正為本公司物色合適之行政總裁及主席，以遵守企業管治守則第A.2.1條之規定。

#### 審核委員會

審核委員會現時由歐國義先生、劉小娥女士及林柏森先生組成，並由劉小娥女士擔任審核委員會主席。

審核委員會之主要職責包括審閱編製財務報表之重要會計政策及其任何變動、財務報表根據之重要評估及判斷、參考外聘核數師之意見及審閱財務報表所披露之清晰及完整程度。截至二零一一年三月三十一日止年度，曾召開了兩次審核委員會會議，以審閱本集團之財務申報事宜。審核委員會之職權範圍與企業管治守則有關部分載列之條款一致。

參照上市規則第3.13條，審核委員會全體委員確認為獨立。

審核委員會監督本集團之內部監控系統，就任何重大事項向董事會報告及向董事會提供建議。

# Corporate Governance Report

## 企業管治報告

### COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

#### Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules.

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Model Code throughout the year ended 31 March 2011.

To comply with the CG Codes provisions A.5.4, the Company has also established and adopted the Model Code as the code of conduct for securities transactions by Relevant Employees to regulate the dealings in the securities of the Company by certain employees of the Group who are considered to be likely in possession of unpublished price sensitive information of the Company.

#### Directors’ and Auditors’ Responsibilities for Accounts

The Directors acknowledge their responsibilities for the preparation of financial statements of the Company for the year ended 31 March 2011. In preparing the financial statements, the Directors have selected suitable accounting policies and applied them consistently, made judgments and estimates that are prudent and reasonable, and have prepared the accounts on the going concern basis. Respective responsibilities of the Directors and the external auditors to the Shareholders are set out in the “Independent Auditor’s Report” on pages 30 to 31 of the annual report.

#### Auditor’s Remuneration

During the year, Morison Heng CPA was appointed as the external auditors of the Company. Morison Heng CPA has provided audit services to the Group in respect of 2011 financial statements of the Company and its subsidiaries at the fee of HK\$560,000. Non-auditing service has not been rendered.

### 遵守《企業管治常規守則》(續)

#### 證券交易之標準守則

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)。

經向全體董事作出特定查詢後，董事確認彼等於截至二零一一年三月三十一日止年度內一直遵守標準守則所載規定。

為遵守企業管治守則第A.5.4條，本公司亦已設定及採納標準守則為有關僱員進行證券交易之操守守則，以規管本集團被認為可能會擁有本公司未公開之股價敏感資料之有關僱員買賣本公司之證券。

#### 董事及核數師對賬目之責任

董事知悉彼等編製本公司截至二零一一年三月三十一日止年度財務報表之責任。董事於編製財務報表時已揀選及貫徹應用合適之會計政策，並作出審慎及合理之判斷及估計，採納持續經營基準編製有關賬目。董事及外聘核數師向股東所負之責任載列於本年報的「獨立核數師報告書」第30至31頁。

#### 核數師酬金

年內，華利信會計師事務所獲委任為本公司外聘核數師。華利信會計師事務所已分別就本公司及其附屬公司二零一一年財務報表提供核數服務，相關費用為560,000港元。並無提供非核數服務。

# Corporate Governance Report

## 企業管治報告

### COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES (Continued)

#### Internal Control

The Board is responsible for the establishing and maintaining a sound system of internal control within the Group. However, such as system was designed to manage various risks of the Group within certain acceptable risk level, rather than the complete elimination of the risk of failure to achieve the business objectives of the Group.

The current Board has already commenced as assessment and review of the internal control system of the Company and will take appropriate action to maintain an adequate internal control system to safeguard shareholders' investments and the Company's assets, and review the effectiveness of such on an annual basis through the audit committee.

#### Communication with Shareholders

The Group strives to disclose relevant information on its activities to Shareholders in an open and timely manner. Communication is achieved through:

- (1) The Company's annual and interim reports which have been enhanced to present a balance, clear and comprehensive assessment of the Group position and prospects.
- (2) Notices of annual and other general meetings and accompanying explanatory materials.
- (3) Announcement releases on major transaction.
- (4) Disclosures to the Stock Exchange and relevant regulatory bodies.
- (5) Response to inquiries from Shareholders by Directors during the Annual General Meeting.

#### Constructive use of Annual General Meeting

The relations with shareholders should be maintained through constructive use of Annual General Meeting. We are encouraging shareholders to attend at the Annual General Meeting, giving Shareholders an opportunity to ask questions and to hear about the Company during the meeting and an opportunity to use their vote and greater openness in voting procedures at the Annual General Meeting. Our executive Directors and responsible person of audit committee, nomination committee and remuneration committee will answer the questions raised by the Shareholders. Annual report and related papers are post to shareholders for their consideration at least 20 clear business days prior to the Annual General Meeting. Annual General Meeting proceedings continually reviewed in the light of corporate governance best practices.

### 遵守《企業管治常規守則》(續)

#### 內部監控

董事會負責為本集團建立及維持健全之內部監控系統。然而，該系統之設計只為於可接受之風險範圍內管理本集團之風險，而並不能消除令本集團未能達到業務目標之風險。

現時董事會已開始評核及檢討本公司之內部監控系統，維持充分之內部監控系統，以保障股東投資及本公司資產，並每年由審核委員會檢討其有效程度。

#### 與股東溝通

本公司致力將其業務之有關資訊，以公開及迅速之方法向股東披露。溝通經以下途徑達致：

- (1) 本公司已改進其年報及中期報告，對本集團之現況及前景呈列一個持平、清晰及全面之評估。
- (2) 於年度及其他股東會議通知內附上解釋性資料。
- (3) 為主要交易發出之公佈。
- (4) 向聯交所及相關監管機構披露。
- (5) 於股東週年大會上，由董事回應股東之查詢。

#### 積極運用股東週年大會

本集團透過股東週年大會積極維繫與股東之關係。本集團鼓勵股東出席股東週年大會，為股東提供查詢及聆聽有關本公司事項之機會，並於股東週年大會行使其投票權，投票程序亦更為透明。本集團之執行董事及審核委員會、提名委員會及薪酬委員會之負責人士將回答股東之查詢。年報及有關文件已於股東週年大會舉行前最少20個營業日前寄發予股東參考。股東週年大會之程序將繼續根據企業管治最佳慣例檢討。

# Independent Auditor's Report

## 獨立核數師報告書



### TO THE SHAREHOLDERS OF BESTWAY INTERNATIONAL HOLDINGS LIMITED

百威國際控股有限公司

*(Incorporated in Bermuda with limited liability)*

We have audited the consolidated financial statements of Bestway International Holdings Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 32 to 84, which comprise the consolidated statement of financial position as at 31 March 2011, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

致百威國際控股有限公司

*(於百慕達註冊成立之有限公司)*

各股東

本核數師(以下簡稱「我們」)已審核載列於第32至84頁之百威國際控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表,當中包括於二零一一年三月三十一日之綜合財務狀況報表與截至該日止年度之綜合全面收入報表、綜合權益變動表及綜合現金流量表,以及主要會計政策概要及其他附註資料。

### 董事就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港《公司條例》之披露規定編製綜合財務報表,以令綜合財務報表作出真實而公平之反映,及落實其認為編製綜合財務報表所必要之內部控制,以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

# Independent Auditor's Report

## 獨立核數師報告書

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 March 2011, and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

#### **Morison Heng**

*Certified Public Accountants*

Hong Kong, 27 June 2011

### 核數師之責任

我們之責任是根據我們之審核對該等綜合財務報表作出意見，並按照百慕達《公司法》第90條僅向整體股東報告，除此之外本報告別無其他目的。我們不會就本報告之內容向任何其他人士負責或承擔責任。我們已根據香港會計師公會頒佈之香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等綜合財務報表是否不存有任何重大錯誤陳述。

審核涉及執程序以獲取有關綜合財務報表所載金額及披露資料之審核憑證。所選定之程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述之風險。在評估該等風險時，核數師考慮與該公司編製綜合財務報表以作出真實而公平之反映相關之內部控制，以設計適當之審核程序，但並非為對公司之內部控制之效能發表意見。審核亦包括評價董事所採用之會計政策之合適性及所作出之會計估計之合理性，以及評價綜合財務報表之整體列報方式。

我們相信，我們所獲得之審核憑證充足和適當地為我們之審核意見提供基礎。

### 意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴集團於二零一一年三月三十一日之財務狀況及 貴集團截至該日止年度之虧損及現金流量，並已按照香港《公司條例》之披露規定妥為編製。

#### **華利信會計師事務所**

*執業會計師*

香港，二零一一年六月二十七日



# Consolidated Statement of Comprehensive Income

## 綜合全面收入報表

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

		Notes 附註	2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元
<b>Continuing operations</b>	<b>持續經營業務</b>			
Revenue	收益	6	1,855	14,165
Cost of sales	銷售成本		(1,754)	(12,688)
<b>Gross profit</b>	<b>毛利</b>		<b>101</b>	<b>1,477</b>
Other income	其他收入	6	2	942
Selling and distribution costs	銷售及分銷成本		–	(73)
Administrative expenses	行政開支		(4,043)	(9,372)
Other operating expenses, net	其他經營開支淨額		(21)	(75)
Finance costs	財務成本	7	(1,616)	(644)
Gain on disposal of subsidiaries	出售附屬公司之收益	27	–	9,259
Impairment loss recognised in respect of mining rights	採礦權之已確認減值虧損	16	(265,473)	–
<b>(Loss)/Profit before taxation</b>	<b>除稅前(虧損)/溢利</b>		<b>(271,050)</b>	<b>1,514</b>
Taxation	稅項	8	66,368	–
<b>(Loss)/Profit for the year from continuing operations</b>	<b>年度持續經營業務之(虧損)/溢利</b>	9	<b>(204,682)</b>	<b>1,514</b>
<b>Discontinued operations</b>	<b>終止經營業務</b>			
Profit for the year from discontinued operations	年度終止經營業務之溢利	10	–	2,006
<b>(Loss)/Profit for the year</b>	<b>年度(虧損)/溢利</b>		<b>(204,682)</b>	<b>3,520</b>
<b>Other comprehensive income</b>	<b>其他全面收入</b>			
Exchange difference arising on translation	換算產生匯兌差額		196	79
<b>Total comprehensive (expenses)/income for the year</b>	<b>年度全面(開支)/收入總額</b>		<b>(204,486)</b>	<b>3,599</b>
<b>(Loss)/Earnings per share</b>	<b>每股(虧損)/盈利</b>	13		
From continuing and discontinued operations	來自持續及終止經營業務			
<b>Basic</b>	<b>基本</b>		<b>(9.43 HK cents港仙)</b>	<b>0.61 HK cents港仙</b>
<b>Diluted</b>	<b>攤薄</b>		<b>N/A不適用</b>	<b>0.30 HK cents港仙</b>
From continuing operations	來自持續經營業務			
<b>Basic</b>	<b>基本</b>		<b>(9.43 HK cents港仙)</b>	<b>0.26 HK cents港仙</b>
<b>Diluted</b>	<b>攤薄</b>		<b>N/A不適用</b>	<b>0.13 HK cents港仙</b>

# Consolidated Statement of Financial Position

## 綜合財務狀況報表

At 31 March 2011 於二零一一年三月三十一日

		Notes	2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元
		附註		
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	14	314	345
Exploration and evaluation assets	勘探及評估資產	15	2,837	863
Mining rights	採礦權	16	735,657	1,001,130
			<b>738,808</b>	<b>1,002,338</b>
<b>Current assets</b>	<b>流動資產</b>			
Trade receivables	貿易應收賬款	17	1,323	5,591
Prepayments and other receivables	預付款項及其他應收款項		395	273
Bank balances and cash	銀行結餘及現金	18	6,331	10,871
			<b>8,049</b>	<b>16,735</b>
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and bills payables	應付貿易賬款及票據	19	1,262	5,155
Other payables and accruals	其他應付賬款及應計款項		3,520	1,596
			<b>4,782</b>	<b>6,751</b>
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>3,267</b>	<b>9,984</b>
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>742,075</b>	<b>1,012,322</b>

# Consolidated Statement of Financial Position

## 綜合財務狀況報表

At 31 March 2011 於二零一一年三月三十一日

		Notes 附註	2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Promissory notes	承兌票據	20	19,214	18,607
Deferred tax liabilities	遞延稅項負債	21	163,913	230,281
			<b>183,127</b>	248,888
<b>Net assets</b>	<b>資產淨值</b>		<b>558,948</b>	763,434
<b>Capital and reserves</b>	<b>資本及儲備</b>			
Share capital	股本	22	323,357	323,357
Reserves	儲備	25	235,591	440,077
<b>Total equity</b>	<b>權益總額</b>		<b>558,948</b>	763,434

The consolidated financial statements on pages 32 to 84 were approved and authorised for issue by the Board of Directors on 27 June 2011 and are signed on its behalf by:

第32至84頁之綜合財務報表已於二零一一年六月二十七日獲董事會批准及授權刊發，並由下列董事代表簽署：

**CHIM Kim Lun Ricky**  
DIRECTOR  
董事  
詹劍崙

**LAW Fei Shing**  
DIRECTOR  
董事  
羅輝城

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

		Share capital HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Exchange fluctuation reserve HK\$'000	Accumulated losses HK\$'000	Reserve classified as held for sale HK\$'000	Total equity HK\$'000
		股本 千港元	股份溢價 千港元	實繳盈餘 千港元	匯率波動儲備 千港元	累積虧損 千港元	分類為持作 出售之儲備 千港元	權益總額 千港元
At 1 April 2009	於二零零九年四月一日	43,690	30,420	52,743	-	(42,382)	8,032	92,503
Profit for the year	年度溢利	-	-	-	-	3,520	-	3,520
Exchange difference arising on translation	換算產生匯兌差額	-	-	-	79	-	-	79
Total comprehensive income for the year	年度全面收入總額	-	-	-	79	3,520	-	3,599
Disposal of subsidiaries	出售附屬公司	-	-	-	-	3,069	(8,032)	(4,963)
Issue of new shares	發行新股	8,000	14,560	-	-	-	-	22,560
Issue of convertible preference shares	發行可換股優先股	271,667	378,068	-	-	-	-	649,735
At 31 March 2010	於二零一零年三月三十一日	323,357	423,048	52,743	79	(35,793)	-	763,434
Loss for the year	年度虧損	-	-	-	-	(204,682)	-	(204,682)
Exchange difference arising on translation	換算產生匯兌差額	-	-	-	196	-	-	196
Total comprehensive expenses for the year	年度全面開支總額	-	-	-	196	(204,682)	-	(204,486)
At 31 March 2011	於二零一一年三月三十一日	323,357	423,048	52,743	275	(240,475)	-	558,948

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

		2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元
<b>Cash flows from operating activities</b>	<b>經營業務之現金流量</b>		
(Loss)/Profit before taxation:	除稅前(虧損)/溢利:		
Continuing operations	持續經營業務	(271,050)	1,514
Discontinued operations	終止經營業務	-	2,240
		(271,050)	3,754
Adjustments for:	經調整下列各項:		
Depreciation	折舊	75	15
Finance costs	財務成本	1,616	1,450
Gain on disposal of subsidiaries	出售附屬公司收益	-	(9,259)
Gain on disposal of prepaid lease payments	出售預付租賃款項之收益	-	(646)
Impairment loss recognised in respect of mining rights	採礦權之已確認減值虧損	265,473	-
Interest income	利息收入	(2)	(1)
Investment income from long term receivables	長期應收賬款之投資收入	-	(262)
Loss on write off of property, plant and equipment	撤銷物業、廠房及設備之虧損	-	6
<b>Operating cash flows before movements in working capital</b>	<b>營運資金變動前之經營現金流量</b>	(3,888)	(4,943)
Increase in inventories	存貨增加	-	(892)
Decrease in trade receivables	貿易應收賬款減少	4,268	5,312
(Increase)/Decrease in prepayments and other receivables	預付款項及其他應收款項(增加)/減少	(122)	15,194
(Decrease)/Increase in trade and bills payables	應付貿易賬款及票據(減少)/增加	(3,893)	5,109
Increase/(Decrease) in other payables and accruals	其他應付賬款及應計款項之增加/(減少)	1,924	(2,076)
Decrease in provision	撥備減少	-	(314)
<b>Cash (used in)/from operations</b>	<b>經營(所用)/所得之現金</b>	(1,711)	17,390
Interest received	已收利息	2	1
Interest paid	已付利息	(9)	(806)
<b>Net cash (used in)/from operating activities</b>	<b>經營業務(所用)/所得之現金淨額</b>	(1,718)	16,585

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

	Notes 附註	2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元
<b>Cash flows from investing activities</b>	<b>投資活動之現金流量</b>		
Acquisition of subsidiaries	收購附屬公司 26	-	(101,977)
Purchases of property, plant and equipment	購買物業、廠房及設備	-	(344)
Addition of exploration and evaluation assets	勘探及評估資產增加	<b>(1,681)</b>	(50)
Proceeds from disposal of subsidiaries	出售附屬公司所得款項 27	-	70,857
Proceeds from disposal of prepaid lease payments	出售預付租賃款項所得款項	-	1,423
Proceeds from long term receivables	長期應收賬款之所得款項	-	568
<b>Net cash used in investing activities</b>	<b>投資活動所用之現金淨額</b>	<b>(1,681)</b>	(29,523)
<b>Cash flows from financing activities</b>	<b>融資活動之現金流量</b>		
Proceeds from issue of shares	發行股份所得款項	-	22,560
Bank loan raised	新增銀行貸款	-	3,689
Repayment of bank loans	償還銀行貸款	-	(13,448)
Repayment of other loans	償還其他貸款	-	(6,250)
Repayment of promissory notes	償還承兌票據	<b>(1,000)</b>	(2,000)
Repayment of obligation under a finance lease	償還根據融資租約之責任	-	(308)
<b>Net cash (used in)/from financing activities</b>	<b>融資活動(所用)/所得之現金流量</b>	<b>(1,000)</b>	4,243
<b>Net decrease in cash and cash equivalents</b>	<b>現金及等同現金項目減少淨額</b>	<b>(4,399)</b>	(8,695)
<b>Cash and cash equivalents at beginning of the year</b>	<b>年初之現金及等同現金項目</b>	<b>10,871</b>	19,488
<b>Effect of foreign exchange rate changes</b>	<b>匯率變動之影響</b>	<b>(141)</b>	78
<b>Cash and cash equivalents at end of the year, represented by bank balances and cash</b>	<b>年終之現金及等同現金項目，指銀行結餘及現金</b>	<b>6,331</b>	10,871

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 1. GENERAL

Bestway International Holdings Limited (the “Company”) is a limited liability company incorporated in Bermuda. The Company’s shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of the registered office of the Company is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and its principal place of business in Hong Kong is located at Room 1102C, 11/F., Tower 1, Admiralty Centre, 18 Harcourt Road, Hong Kong.

The consolidated financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company.

The Company is engaged in investment holding and trading of cotton yarn. The principal activities of its subsidiaries are set out in note 30.

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current year, the Group has applied the following new and revised standards, amendments and interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

HKFRS 2 (Amendments)	Group Cash-settled Share-based Payment Transactions
HKFRS 3 (as revised in 2008)	Business Combinations
HKAS 27 (as revised in 2008)	Consolidated and Separate Financial Statements
HKAS 32 (Amendment)	Classification of Rights Issues
HKAS 39 (Amendments)	Eligible Hedged Items
HKFRSs (Amendments)	Improvements to HKFRSs 2009

### 1. 一般資料

百威國際控股有限公司(「本公司」)為於百慕達註冊成立之有限公司。本公司股份於香港聯合交易所有限公司(「聯交所」)上市。本公司之註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。香港主要營業地點位於香港夏慤道18號海富中心1座11樓1102C室。

此等綜合財務報表乃以港元呈列，此與本公司之功能貨幣相同。

本公司從事投資控股及棉紗買賣。其附屬公司的主要業務載列於附註30。

### 2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)

本集團已於本年度應用由香港會計師公會(「香港會計師公會」)頒佈之下列新訂及經修訂準則、修訂及詮釋。

香港財務報告準則第2號(修訂本)	集團以現金結算以股代款之交易
香港財務報告準則第3號(二零零八年經修訂)	業務合併
香港會計準則第27號(二零零八年經修訂)	綜合及獨立財務報表
香港會計準則第32號(修訂本)	供股之分類
香港會計準則第39號(修訂本)	合資格對沖項目
香港財務報告準則(修訂本)	二零零九年香港財務報告準則之改進

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRSs (Amendments)	Amendment to HKFRS 5 as part of Improvements to HKFRSs 2008
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners
HK – Int 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

Except as described below, the application of the new and revised standards, amendments and interpretations in the current year has had no material effect on the amounts reported in the consolidated financial statements and disclosures set out in these consolidated financial statements.

#### HKAS 27 (as revised in 2008) Consolidated and Separate Financial Statements

The Group applies HKFRS 3 (as revised in 2008) “Business Combinations” prospectively to business combinations for which the acquisition date is on or after 1 April 2010. The requirements in HKAS 27 (as revised in 2008) “Consolidated and Separate Financial Statements” in relation to accounting for changes in ownership interests in a subsidiary after control is obtained and for loss of control of a subsidiary are also applied prospectively by the Group on or after 1 April 2010.

As there was no transaction during the current year in which HKFRS 3 (as revised in 2008) and HKAS 27 (as revised in 2008) are applicable, the application of HKFRS 3 (as revised in 2008) and HKAS 27 (as revised in 2008) had no effect on the consolidated financial statements of the Group for the current or prior accounting periods.

### 2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則（修訂本）	香港財務報告準則第5號之修訂本，作為二零零八年香港財務報告準則之改進之一部分
香港（國際財務報告詮釋委員會）－詮釋第17號	向擁有人分派非現金資產
香港－詮釋第5號	財務報表之呈報－借款人對包含按通知還款條款之定期貸款之分類

除下文所述，於本年度應用新訂及經修訂準則、修訂本及詮釋對於綜合財務報表呈報之金額以及該等綜合財務報表所載之披露並無任何重大影響。

#### 香港會計準則第27號（二零零八年經修訂）「綜合及獨立財務報表」

本集團已應用香港財務報告準則第3號（二零零八年經修訂）「業務合併」來處理收購日期於二零一零年四月一日當日或其後之業務合併。本集團亦已應用香港會計準則第27號（二零零八年經修訂）「綜合及獨立財務報表」處理於二零一零年四月一日或其後就取得控制權後附屬公司擁有權益變動及失去附屬公司控制權所牽涉之會計事宜。

由於本年內並無香港財務報告準則第3號（二零零八年經修訂）及香港會計準則第27號（二零零八年經修訂）適用之交易，故應用香港財務報告準則第3號（二零零八年經修訂）及香港會計準則第27號（二零零八年經修訂）對本集團於本會計期間或過往會計期間之綜合財務報表概無影響。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Results of the Group in future periods may be affected by future transactions for which HKFRS 3 (as revised in 2008) and HKAS 27 (as revised in 2008) are applicable.

The Group has not early applied the following new and revised standards, amendments and interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Improvements to HKFRSs 2010 <sup>1</sup>
HKFRS 7 (Amendments)	Disclosures – Transfers of Financial Assets <sup>3</sup>
HKFRS 9	Financial Instruments <sup>4</sup>
HKAS 12 (Amendments)	Deferred Tax: Recovery of Underlying Assets <sup>5</sup>
HKAS 24 (Revised)	Related Party Disclosures <sup>5</sup>
HK(IFRIC) – Int 14 (Amendments)	Prepayments of a Minimum Funding Requirement <sup>5</sup>
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments <sup>2</sup>

- 1 Effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate
- 2 Effective for annual periods beginning on or after 1 July 2010
- 3 Effective for annual periods beginning on or after 1 July 2011
- 4 Effective for annual periods beginning on or after 1 January 2013
- 5 Effective for annual periods beginning on or after 1 January 2011
- 6 Effective for annual periods beginning on or after 1 January 2012

### 2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

本集團於未來期間之業績可能受香港財務報告準則第3號（二零零八年經修訂）及香港會計準則第27號（二零零八年經修訂）所適用之未來交易所影響。

本集團並未提早應用下列已頒佈但尚未生效之新訂及經修訂準則、修訂本及詮釋：

香港財務報告準則（修訂本）	二零一零年香港財務報告準則之改進 <sup>1</sup>
香港財務報告準則第7號（修訂本）	披露－財務資產之轉讓 <sup>3</sup>
香港財務報告準則第9號	財務工具 <sup>4</sup>
香港會計準則第12號（修訂本）	遞延稅項：收回相關資產 <sup>5</sup>
香港會計準則第24號（經修訂）	關聯方披露事項 <sup>5</sup>
香港（國際財務報告詮釋委員會）－詮釋第14號（修訂本）	最低資金要求之預付款項 <sup>5</sup>
香港（國際財務報告詮釋委員會）－詮釋第19號	以股本工具抵銷財務負債 <sup>2</sup>

- 1 於二零一零年七月一日及二零一一年一月一日（如適用）或其後開始之年度期間生效
- 2 於二零一零年七月一日或其後開始之年度期間生效
- 3 於二零一一年七月一日或其後開始之年度期間生效
- 4 於二零一三年一月一日或其後開始之年度期間生效
- 5 於二零一一年一月一日或其後開始之年度期間生效
- 6 於二零一二年一月一日或其後開始之年度期間生效

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 9 “Financial instruments” (as issued in November 2009) introduces new requirements for the classification and measurement of financial assets. HKFRS 9: “Financial instruments” (as revised in November 2010) adds requirements for financial liabilities and for derecognition.

Under HKFRS 9, all recognised financial assets that are within the scope of HKAS 39 “Financial instruments: Recognition and measurement” are subsequently measured at either amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods.

In relation to financial liabilities, the significant change relates to financial liabilities that are designated as at fair value through profit or loss. Specifically, under HKFRS 9, for financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the presentation of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability’s credit risk are not subsequently reclassified to profit or loss. Previously, under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

### 2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號「財務工具」（於二零零九年十一月頒佈）引進有關財務資產分類及計量之新規定。香港財務報告準則第9號「財務工具」（二零一零年十一月經修訂）加入有關財務負債及取消確認之規定。

根據香港財務報告準則第9號，屬於香港會計準則第39號「財務工具：確認及計量」範疇內之所有已確認財務資產，其後均按攤銷成本或公平值計量。尤其是，以目的為收取合約現金流量之業務模式持有之債務投資，以及僅為支付本金及未償還本金利息之合約現金流量之債務投資，一般均於其後會計期間結束時按攤銷成本計量。所有其他債務投資及股本投資均於其後會計期間結束時按公平值計量。

就財務負債而言，主要變動乃與指定按公平值計入損益之財務負債有關。尤其是，根據香港財務報告準則第9號，就指定按公平值計入損益之財務負債而言，因財務負債信貸風險有變而導致其公平值變動之金額，乃於其他全面收益呈列，除非於其他全面收益呈報該負債信貸風險變動之影響會產生或增加損益之會計錯配，則作別論。因財務負債之信貸風險而導致之公平值變動，其後不會重新分類至損益。過往，根據香港會計準則第39號，指定按公平值計入損益之財務負債之全部公平值變動金額均於損益中呈列。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 9 is effective for accounting periods beginning on or after 1 January 2013, with earlier application permitted.

The directors anticipate that HKFRS 9 that will be adopted in the Group’s consolidated financial statements for financial year ending 31 March 2014 and that the application of this new standard may affect the classification and measurement of the Groups’ financial assets and liabilities.

The directors of the Company anticipate that the application of the other new and revised standards, amendments and interpretations will have no material impact on the consolidated financial statements.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

### 2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號於二零一三年一月一日或之後開始之會計期間生效，並可提早應用。

董事預期，香港財務報告準則第9號將會被採納於本集團截至二零一四年三月三十一日止財政年度之綜合財務報表，而應用此新準則可能影響本集團財務資產及負債之分類及計量。

本公司董事預期，應用其他新訂及經修訂準則、修訂本及詮釋將不會對綜合財務報表構成重大影響。

### 3. 重大會計政策

本綜合財務報表乃按歷史成本法價例編製，並詳述於下文所載之會計政策。歷史成本一般按交換貨物及服務時所付代價之公平值計量。

本綜合財務報表乃依據香港會計師公會頒佈之香港財務報告準則編製。此外，本綜合財務報表包括聯交所證券上市規則及香港《公司條例》規定之適用披露資料。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies used in line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

#### Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold in the normal course of business, net of discounts and sales related taxes.

Revenue from sale of goods is recognised when goods are delivered and title has passed.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### 3. 重大會計政策 (續)

#### 綜合賬目基準

綜合財務報表包括本公司及受其控制之實體（其附屬公司）之財務報表。倘本公司有權控制該實體之財務及經營政策，以從其活動中獲取利益，則視為擁有控制權。

年內購入或售出之附屬公司業績按自有關收購生效日期起計或截至出售生效日期止（視適用情況而定）計入綜合全面收入報表內。

附屬公司之財務報表於有需要情況下作出調整，致使其會計政策與本集團其他成員公司所採用者一致。

所有集團內公司間之交易、結餘、收入及支出已於綜合賬目時抵銷。

#### 收益確認

收益乃按已收或應收代價之公平值計量，此金額代表日常業務過程中就所售貨物扣除折扣及銷售相關稅項後之應收金額。

銷售貨品之收益於貨品交付及其擁有權轉移後確認。

來自財務資產之利息收入根據未提取之本金及實際適用利率（即將財務資產在估計年期內之估計未來所收現金實際貼現至該資產於初步確認時之賬面淨值之利率）按時間基準累計。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Property, plant and equipment

Property, plant and equipment are stated at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment over their estimated useful lives, using the straight-line method, at the following rates per annum.

Furniture, fixtures, equipment and motor vehicles 3 to 5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds to the carrying amount of the asset and is recognised in profit or loss.

#### Exploration and evaluation assets

Exploration and evaluation assets are stated at cost less any accumulated impairment losses.

Exploration and evaluation assets include the expenditures incurred in the search for natural resources as well as the determination of the technical feasibility and commercial viability of extracting those resources.

When the technical feasibility and commercial viability of extracting natural resources become demonstrable, previously recognised exploration and evaluation assets are reclassified as mining rights. These assets are assessed for impairment before reclassification, and any impairment loss is recognised in profit or loss.

### 3. 重大會計政策 (續)

#### 物業、廠房及設備

物業、廠房及設備乃按成本值減其後累計折舊及累計減值虧損(如有)列賬。

物業、廠房及設備項目之折舊乃按估計可使用年期以直線法確認以撇銷其成本。所採用之年率如下。

傢俬、固定裝置、設備及汽車 3至5年

物業、廠房及設備項目乃於出售後或當預期持續使用該資產將不會產生未來經濟利益時終止確認。於出售或報廢物業、廠房及設備項目產生之任何收益或虧損被定為出售所得款項及資產賬面值兩者之差額，並於損益中確認。

#### 勘探及評估資產

勘探及評估資產按成本減任何累計減值虧損列賬。

勘探及評估資產包括尋找天然資源及釐定開採該等資源之技術可行性及商業可行性所產生之開支。

於可證實開採天然資源之技術可行性及商業可行性時，先前確認之任何勘探及評估資產將重新分類為採礦權。該等資產於重新分類前會就減值進行評估，而任何減值虧損則於損益確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Mining rights

Mining rights are stated at cost less subsequent accumulated amortisation and accumulated impairment losses. Mining rights are amortised using the units of production method based on the proven and probable mineral reserves.

#### Impairment losses

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods. A reversal of an impairment loss is recognised as income immediately.

#### Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

### 3. 重大會計政策 (續)

#### 採礦權

採礦權以成本減後續累計攤銷及累計減值虧損列賬。採礦權根據探明及估計礦物儲量，利用生產單位法而攤銷。

#### 減值虧損

於報告期間結束時，本集團檢討其有形及無形資產之賬面值，以決定是否有任何跡象顯示該等資產錄得減值虧損。倘估計資產之可收回價值低於其賬面值，則該資產之賬面值將相應減至可收回價值之金額。減值虧損即時確認為開支。

倘其後減值虧損撥回，則資產之賬面值將增至估計之可收回價值（經修訂），惟增加之賬面值不得超過假設有關於資產於過往期間並無確認減值虧損下原應釐定之賬面值。減值虧損撥回將即時列作收入。

#### 外幣

於編製各個別集團實體之財務報表時，以該集團實體功能貨幣以外之貨幣（外幣）進行之交易均按交易日期之適用匯率以其功能貨幣（即該集團實體經營所在主要經濟地區之貨幣）入賬。於各報告期末，以外幣計值之貨幣項目均按該日之適用匯率換算。按公平值以外幣計值之非貨幣項目則按釐定公平值當日之適用匯率換算。按歷史成本以外幣計量之非貨幣項目毋須換算。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Foreign currencies (Continued)

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for exchange differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income, in which cases, the exchange differences are also recognised directly in other comprehensive income.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuates significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (the exchange reserve). On the deregistration/disposal of the Group's foreign operations, the relevant exchange reserve will be reclassified to profit or loss.

#### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### 3. 重大會計政策 (續)

#### 外幣 (續)

於結算及重新換算貨幣項目時產生之匯兌差額均於產生期間內於損益中確認。按公平值列賬之非貨幣項目經重新換算後產生之匯兌差額於該期間於損益列賬，惟重新換算直接於其他全面收入內確認收益或虧損之非貨幣項目所產生之匯兌差額除外，在此情況下，匯兌差額亦直接於其他全面收入內確認。

就呈列綜合財務報表而言，本集團海外業務之資產及負債乃按報告期末本集團之列賬貨幣（即港元）之適用匯率換算，而其收入及支出則按該年度之平均匯率換算，除非匯率於該期間內出現大幅波動則作別論，在此情況下，則採用交易當日之適用匯率。所產生之匯兌差額（如有）乃於其他全面收入內確認，並於權益（匯兌儲備）內累計。註銷／出售集團之海外業務時，有關之匯兌儲備將重新分類至損益。

#### 借貸成本

直接用作收購、建造或生產合資格資產（即需要一段長時間方可達致擬定使用狀態或出售之資產）之借貸成本，當資產大致達到預定可使用狀態或出售時添加到其資產成本中。

所有其他借貸成本於產生期間於損益中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Retirement benefits costs

Payments to the retirement contribution schemes are charged as expenses when employees have rendered service entitling them to the contributions.

#### Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

### 3. 重大會計政策 (續)

#### 退休福利成本

退休供款計劃之付款於僱員提供服務而符合供款資格時列入開支內。

#### 稅項

所得稅開支指即期應付稅項及遞延稅項之總和。

即期應付稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合全面收入報表所報溢利不同，乃由於前者不包括其他年度之應課稅或可扣稅收入或開支，並且不包括毋須課稅或不可扣稅項目。本集團之即期稅項負債乃按報告期末已頒佈或實際已頒佈之稅率計算。

遞延稅項指就綜合財務報表內資產及負債賬面值與計算應課稅溢利所用相應稅基之暫時差額確認。遞延稅項負債一般會就所有應課稅暫時差額確認。遞延稅項資產一般於可能出現應課稅溢利抵銷可用的可扣稅暫時差額時確認。倘若暫時差額由商譽或不影響應課稅溢利及會計溢利的交易中初步確認（業務合併除外）之其他資產及負債所產生，則不會確認該等資產及負債。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Taxation (Continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

### 3. 重大會計政策 (續)

#### 稅項 (續)

與附屬公司及聯營公司之投資及合營公司權益相關之應課稅暫時差額確認為遞延稅項負債，惟若本集團可控制暫時差額之撥回而暫時差額於可見將來應不會撥回之情況除外。與上述投資及權益相關之可扣稅暫時差額產生之遞延稅項資產只能達到一定程度才可確認，即有足夠之應課稅溢利能夠利用暫時差額利益並預期於可見將來可以撥回時確認。

遞延稅項資產之賬面值於報告期末檢討，並於可能不再有足夠應課稅溢利收回該項資產全部或部分之情況下調減。

遞延稅項資產及負債是按預期於償還負債或變現資產期間使用之稅率計算，基於報告期末前已制定或實際制定之稅率（及稅法）為準。遞延稅項負債及資產之衡量反映了稅項結果符合本集團期望在報告期末內收回或償還資產及負債之賬面值之做法。遞延稅項於損益確認，除了涉及需要在其他全面收入中或直接在權益中確認之項目，在這種情況下，遞延稅項亦在其他全面收入中或直接在權益中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### Financial assets

The Group's financial assets are classified as loans and receivables. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

#### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that from an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

### 3. 重大會計政策 (續)

#### 財務工具

當集團實體成為工具合約條文之訂約方時，財務資產及財務負債於綜合財務狀況報表中確認。財務資產及財務負債初步按公平值計算。因收購或發行財務資產及財務負債而直接產生之交易成本（按公平值計入損益之財務工具或財務負債除外），於初步確認時加入財務資產或財務負債之公平值或自財務資產或財務負債之公平值扣除（視情況而定）。因收購按公平值計入損益之財務資產或財務負債而直接產生之交易成本即時於損益內確認。

#### 財務資產

本集團之財務資產可分類為貸款及應收款項。所有日常買賣之財務資產於交易日確認及終止確認。日常買賣指須於根據市場規則或慣例訂立之時間內交收資產之財務資產買賣。

#### 實際利率法

實際利率法乃計算財務資產之攤銷成本以及分配相關期間利息收入之方法。實際利率乃按財務資產之預計年期或較短期間（如適用）內準確貼現估計未來收取之現金（包括構成實際利率主要部分之所有已付或已收費用、交易成本及其他溢價或折讓）之利率至首次確認之賬面淨額。

債務工具之利息收入按實際利率方法確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

###### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade receivables, other receivables and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy in respect of impairment loss on financial assets below).

###### Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of the reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For all financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

### 3. 重大會計政策 (續)

#### 財務工具 (續)

##### 財務資產 (續)

###### 貸款及應收款項

貸款及應收款項為有固定或可終止付款而並無活躍市場報價之非衍生財務資產。於首次確認後，貸款及應收款項（包括貿易應收賬款、其他應收款項以及銀行結餘及現金）按攤銷成本以實際利率法減去任何已確定減值虧損入賬（詳見下文財務資產之減值虧損有關之會計政策）。

###### 財務資產減值

財務資產於各報告期末評估有否減值跡象。倘有客觀證據證明初步確認財務資產後發生之一項或多項事件令財務資產之估計未來現金流量受到影響，則財務資產出現減值。

就所有財務資產而言，客觀減值證據包括：

- 發行人或對手方出現重大財政困難；或
- 違約，未能繳付或延遲償還利息或本金；或
- 借貸人有可能面臨破產或財務重組。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment of financial assets (Continued)

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the credit period and observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

### 3. 重大會計政策 (續)

#### 財務工具 (續)

##### 財務資產 (續)

##### 財務資產減值 (續)

就貿易應收賬款等若干財務資產類別而言，被評估為不會個別減值之資產其後按整體基準進行減值評估。應收賬款組合之客觀減值證據包括本集團之過往收款經驗、組合內延遲還款至超逾信貸期，以及與應收賬款逾期有關之全國或地方經濟狀況出現明顯改變。

就按攤銷成本列賬之財務資產而言，當有客觀證據表明該項資產出現減值時，減值虧損於損益中確認，並按該項資產之賬面值與按原實際利率貼現之估計未來現金流量之現值間之差額予以計量。

與所有財務資產有關之減值虧損會直接於財務資產之賬面值中作出扣減，惟貿易應收賬款除外，其賬面值會透過撥備賬作出扣減。撥備賬內之賬面值變動會於損益中確認。當貿易應收賬款為不可收回時，其將於撥備賬內撇銷。倘其後收回之前已撇賬之款項，將撥回損益內。

就按已攤銷成本列賬之財務資產而言，減值虧損金額如於以後期間減少，而有關減少在客觀上與確認減值虧損後發生之事件有關，則先前已確認之減值虧損將透過損益予以撥回，惟該資產於減值被撥回當日之賬面值不得超過未確認減值時之已攤銷成本。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

*(Continued)*

#### Financial instruments *(Continued)*

##### *Financial liabilities and equity instruments*

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

##### *Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis for debt instruments.

##### *Financial liabilities*

The Group's financial liabilities including trade and bills payables, accruals and other payables and promissory notes are subsequently measured at amortised cost, using the effective interest method.

### 3. 重大會計政策 (續)

#### 財務工具 (續)

##### *財務負債及權益工具*

集團實體發行之財務負債及權益工具乃根據所訂立合約安排之性質與財務負債及權益工具之定義分類。

權益工具乃證明本集團於扣減所有負債後之資產中擁有剩餘權益之任何合約。

##### *實際利率法*

實際利率法乃一種計算相關期間財務負債攤銷成本與分配利息開支之方法。實際利率乃在財務負債之預計年期或較短期間(如適用)內,將其估計未來現金支出準確貼現至首次確認之賬面淨額所使用之利率。

債務工具之利息開支以實際利率基準確認。

##### *財務負債*

本集團之財務負債包括應付貿易賬款及票據、應計款項及其他應付賬款以及承兌票據,乃隨後採用實際利息法按已攤銷成本計量。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

#### Financial liabilities and equity instruments (Continued)

##### Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

##### Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

Financial liabilities are derecognised when the obligations specified in the relevant contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, management has made various estimates about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

### 3. 重大會計政策 (續)

#### 財務工具 (續)

#### 財務負債及權益工具 (續)

##### 權益工具

本公司發行之權益工具乃按已收所得款項 (扣除直接發行成本) 記賬。

##### 終止確認

當從資產收取現金流量之權利屆滿時，或財務資產已轉讓而本集團已實質上轉移了與財務資產所有權有關之幾乎全部風險和報酬，便會終止確認該項財務資產。終止確認財務資產時，資產之賬面值與已收及應收代價以及已在其他全面收入中確認並於權益中累計之累積損益之總和兩者之差額，乃在損益中確認。

當財務負債有關合約中規定之義務解除、取消或到期時，便會終止確認該項財務負債。終止確認之財務負債之賬面值與已付及應付之代價之間之差額會在損益中確認。

### 4. 估計不明朗因素之主要來源

於應用附註3所述本集團之會計政策時，管理層須對尚無法從其他渠道確認之資產及負債賬面值作出多項估計。該等估計及相關設假乃基於過往經驗及其他視作相關之因素作出。實際結果或會有別於該等估計。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

The key source of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

#### Estimated impairment on mining rights and exploration and evaluation assets

Mining rights and exploration and evaluation assets are assessed for impairment when facts and circumstances suggest the carrying amount may exceed its recoverable amount. The directors of the Company exercise their judgment in estimating the recoverable amount with reference to a discounted cash flow analysis. Where the recoverable amount is less than expected, a material impairment loss may arise. An impairment loss of HK\$265,473,000 (2010: Nil) in respect of mining rights was recognized in the consolidated statement of comprehensive income. Details are set out in note 16.

#### Useful lives of mining rights

The Group's management determines the estimated useful lives for its mining rights based on the proven and probable reserves. However, the mining rights were granted for terms of certain years. The directors of the Company are of the opinion that the Group will be able to continuously renew the mining rights and the business licences of the respective mining subsidiaries at minimal charges. Accordingly, the Group has used the proven and probable reserves as a basis of estimation for the useful lives of its mining rights.

Amortisation rates are determined based on estimated proven and probable mine reserve volume with reference to the independent technical assessment report. The estimates involve subjective judgements in developing such information and have taken into account the recent production and the technical information about each mine. The capitalised cost of mining rights are amortised using the units of production method. Any change to the estimated proven and probable mine reserves will affect the amortisation charge of those mining rights. Management will reassess the useful lives whenever the ability to renew the mining rights and business licences is changed.

### 4. 估計不明朗因素之主要來源 (續)

於報告期末，具有重大風險可導致須於下一個財政年度就資產及負債之賬面值作重大調整之估計不明朗因素之主要來源，現論述如下。

#### 採礦權及勘探及評估資產之估計減值

採礦權及勘探及評估資產會於有事實及情況表明賬面值可能會超過其可收回金額時，就減值進行評估。本公司董事在估計可收回金額時，乃經參照貼現現金流量分析行使判斷。倘可收回金額較預期為少，則可能產生重大減值虧損。採礦權之減值虧損265,473,000港元（二零一零年：無）於綜合全面收入報表內確認。詳情載於附註16。

#### 採礦權可用年限

本集團管理層以探明及估計礦場儲備為基準，釐定採礦權估計可用年限。然而，獲批之採礦權為若干年。本公司董事認為，本集團將能繼續以最低費用延續礦業附屬公司之採礦權及營業執照。因此，本集團以探明及估計礦場儲備為基準，估計採礦權可用年限。

攤銷率根據探明及估計礦場預計儲備容量為基準釐定，並經參考獨立技術性評估報告。此等估計涉及編製有關資料時所作出之主觀判斷，並已考慮各礦場近期之產量及技術資料。已資本化之採礦權費用以單位生產法予以攤銷。探明及估計礦場儲備之預計數量之變動，會影響採礦權之攤銷費。倘本集團重續採礦權及營業執照之能力有變，管理層將重估可用年限。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 5. SEGMENT INFORMATION

The Group determines its operating segment based on the internal reports reviewed by the chief operating decision maker (the "CODM") in order to allocate resources and to assess segment performance.

All of the Group's activities are engaged in the trading business, including plastic products and cotton yarn. On 31 December 2009, the Group completed its acquisitions of entire interest in mining companies established in the Mongolia and henceforth became engaged in the mining business. However, no active operation took place between the date of acquisition and the end of the reporting period. Therefore the Group's CODM considers there to be only one operating segment under the requirements of HKFRS 8.

No geographical segment analysis is provided as over 90% of the Group's revenue and contribution to results are derived from the PRC/Mongolia (including Hong Kong) and substantial amount of the Group's assets and liabilities are located in the PRC/Mongolia.

For the year ended 31 March 2011, revenue from two customers of the Group amounting to HK\$1,323,000 and HK\$532,000 had individually accounted for over 10% of the Group's total revenue.

For the year ended 31 March 2010, revenue from three customers of the Group amounting to HK\$10,343,000, HK\$8,626,000 and HK\$7,157,000 had individually accounted for over 10% of the Group's total revenue.

### 5. 分部資料

本集團根據主要經營決策者（「主要經營決策者」）就分配資源及評估各分部表現而審閱之內部報告釐定經營分部。

本集團之所有業務均為貿易業務，包括塑膠產品及棉紗買賣。本集團於二零零九年十二月三十一日完成收購於蒙古成立之採礦公司之全部股權，此後開始從事採礦業務。然而，於收購日期至報告期末並無活躍的營運活動，故本集團主要經營決策者認為，根據香港財務報告準則第8號，本集團僅有一個經營分部。

本集團90%以上之收益及業績貢獻乃源自中國／蒙古（包括香港），而本集團絕大部分資產及負債亦位於中國／蒙古，故此並無按地域分部作出分析。

截至二零一一年三月三十一日止年度，來自本集團兩名客戶之收益分別為1,323,000港元及532,000港元，各自佔本集團總收益10%以上。

截至二零一零年三月三十一日止年度，來自本集團三名客戶之收益分別為10,343,000港元、8,626,000港元及7,157,000港元，各自佔本集團總收益10%以上。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 6. REVENUE AND OTHER INCOME

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts.

An analysis of revenue and other income is as follows:

		Continuing operations 持續經營業務		Discontinued operations 終止經營業務		Consolidated 綜合	
		2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元	2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元	2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元
Revenue	收益						
Sales of goods	銷售貨品	1,855	14,165	-	52,011	1,855	66,176
Other income	其他收入						
Bank interest income	銀行利息收入	2	1	-	-	2	1
Gain on disposal of prepaid lease payments	出售預付租賃款項之收益	-	-	-	646	-	646
Investment income from long term receivables	長期應收賬款之投資收入	-	262	-	-	-	262
Waive of other payable	豁免支付其他應付賬款	-	72	-	-	-	72
Sundry income	雜項收入	-	607	-	20	-	627
		2	942	-	666	2	1,608

### 6. 收益及其他收入

收益代表扣除退貨及貿易折扣後之所售貨物淨發票金額。

收益及其他收入之分析載列如下：

### 7. FINANCE COSTS

		Continuing operations 持續經營業務		Discontinued operations 終止經營業務		Consolidated 綜合	
		2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元	2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元	2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元
Interest on:	下列各項之利息:						
Bank loans and other loans wholly repayable within five years	須於五年內悉數償還之銀行貸款及其他貸款	-	-	-	793	-	793
Finance leases	融資租約	-	-	-	13	-	13
Promissory notes	承兌票據	1,616	644	-	-	1,616	644
		1,616	644	-	806	1,616	1,450

### 7. 財務成本

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 8. TAXATION

### 8. 稅項

		Continuing operations 持續經營業務		Discontinued operations 終止經營業務		Consolidated 綜合	
		2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元	2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元	2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元
Hong Kong Profits Tax	香港利得稅						
- current year	- 本年度	-	-	-	234	-	234
Deferred taxation (note 21)	遞延稅項(附註21)						
- current year	- 本年度	(66,368)	-	-	-	(66,368)	-
		(66,368)	-	-	234	(66,368)	234

No Hong Kong Profits Tax in continuing operations has been provided as the Group had no assessable profit for the year (2010: Nil).

由於本集團年內並無應課稅溢利(二零一零年:無),故並無就持續經營業務之香港利得稅作出撥備。

The taxation for the year can be reconciled to the (loss)/profit before taxation per the consolidated statement of comprehensive income as follows:

根據綜合全面收入報表年度稅項與除稅前(虧損)/溢利之對賬如下:

		2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元
(Loss)/Profit before taxation:	除稅前(虧損)/溢利:		
Continuing operations	持續經營業務	(271,050)	1,514
Discontinued operations	終止經營業務	-	2,240
		(271,050)	3,754
Tax calculated at the statutory tax rates	按法定稅率計算之稅項	(44,723)	619
Income not subject to tax	毋須課稅之收入	-	(1,634)
Expenses not deductible for tax	不可扣稅之開支	44,338	850
Tax allowance for capital expenditure	資本開支之稅項減免	-	(4)
Tax losses not recognised	未確認稅項虧損	391	791
Tax losses utilised from previous years	自往年度動用之稅項虧損	(6)	(388)
Deferred taxation	遞延稅項	(66,368)	-
Taxation	稅項	(66,368)	234

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 9. (LOSS)/PROFIT FOR THE YEAR

(Loss)/Profit for the year has been arrived at after charging/  
(crediting):

### 9. 年度(虧損)/溢利

年度(虧損)/溢利已扣除/(計入)下列  
各項:

	Continuing operations 持續經營業務		Discontinued operations 終止經營業務		Consolidated 綜合	
	2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元	2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元	2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元
Cost of inventories sold	1,754	12,688	-	45,725	1,754	58,413
Depreciation (note 14)	75	15	-	-	75	15
Minimum lease payments under operating lease in respect of land and buildings	-	-	-	125	-	125
Auditor's remuneration	565	538	-	-	565	538
Employee benefits expense (excluding directors' emoluments – note 11):						
Wages and salaries	463	1,175	-	1,138	463	2,313
Less: Amount included in cost of inventories sold	-	-	-	(235)	-	(235)
	463	1,175	-	903	463	2,078
Pension scheme contributions	79	78	-	22	79	100
Net exchange loss/(gain)*	12	60	-	(196)	12	(136)
Loss on write off of property plant and equipment*	-	6	-	-	-	6

\* These items are included in "Other operating expenses, net" on the face of the consolidated statement of comprehensive income.

\* 該等項目乃計入綜合全面收入報表內「其他經營開支淨額」中。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 10. DISCONTINUED OPERATIONS

On 30 July 2009, Bestway Group International Limited, a wholly-owned subsidiary of the Company, had completed its disposal of the entire issued shares of Best Faith Plastic Products Limited, Bestway Plastic Products Limited and Bestget Plastic Products Limited, (together the "Disposal Group") to Eastern Wide Investments Limited. Following this disposal, the Group discontinued its manufacturing and certain trading of plastic products.

The combined results and cash flows of the discontinued operations included in the consolidated statement of comprehensive income and the consolidated statement of cash flows are set out below.

### 10. 終止經營業務

於二零零九年七月三十日，本公司全資附屬公司Bestway Group International Limited已完成向Eastern Wide Investments Limited出售百信塑膠製品有限公司、百威塑膠製品有限公司及百吉塑膠製品有限公司（統稱「出售集團」）之全部已發行股份。於進行該出售事項後，本集團終止其塑膠產品之生產及若干貿易業務。

終止經營業務之合併業績及現金流量計入綜合全面收入報表及綜合現金流量表並載列如下。

		1.4.2009 to 30.7.2009 HK\$'000 二零零九年 四月一日 至 二零零九年 七月三十日 千港元
<b>Profit for the year from discontinued operations</b>	<b>年度終止經營業務之溢利</b>	
Revenue	收益	52,011
Cost of sales	銷售成本	(45,725)
Gross profit	毛利	6,286
Other income	其他收入	666
Selling and distribution costs	銷售及分銷成本	(857)
Administrative expenses	行政開支	(3,206)
Other operating expenses, net	其他經營開支淨額	157
Finance costs	財務成本	(806)
Profit before taxation	除稅前溢利	2,240
Taxation	稅項	(234)
Profit for the year from discontinued operations	年度終止經營業務之溢利	2,006
<b>Cash flows from discontinued operations</b>	<b>終止經營業務之現金流量</b>	
Net cash from operating activities	經營業務所得之現金淨額	10,634
Net cash from investing activities	投資活動所得之現金淨額	1,423
Net cash used in financing activities	融資活動所用之現金淨額	(20,007)
Net cash outflows	現金流出淨額	(7,950)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 11. DIRECTORS' EMOLUMENTS

The emoluments paid or payable to each of the seven (2010: eleven) directors were as follows:

#### 2011

		Fees HK\$'000 袍金 千港元	Salaries, allowances and benefits in kind HK\$'000 薪金、津貼 及實物福利 千港元	Pension scheme contributions HK\$'000 退休金計劃 供款 千港元	Total emoluments HK\$'000 酬金總額 千港元
Executive directors:	執行董事：				
Mr. Chim Kim Lun Ricky	詹劍崙先生	120	–	6	126
Mr. Law Fei Shing	羅輝城先生	360	–	12	372
Mr. Sun Danny <sup>2</sup>	Sun Danny 先生 <sup>2</sup>	–	–	–	–
Ms. Yang Lee <sup>2</sup>	Yang Lee 女士 <sup>2</sup>	150	–	–	150
		<b>630</b>	<b>–</b>	<b>18</b>	<b>648</b>
Independent non-executive directors:	獨立非執行董事：				
Mr. Au Kwok Yee Benjamin	歐國義先生	80	–	–	80
Ms. Lau Siu Ngor <sup>3</sup>	劉小娥女士 <sup>3</sup>	80	–	–	80
Mr. Lum Pak Sum <sup>1</sup>	林柏森先生 <sup>1</sup>	80	–	–	80
		<b>240</b>	<b>–</b>	<b>–</b>	<b>240</b>
Total	總計	<b>870</b>	<b>–</b>	<b>18</b>	<b>888</b>

### 11. 董事酬金

已付或應付七位（二零一零年：十一位）董事之個別酬金如下：

#### 二零一一年

		Fees HK\$'000 袍金 千港元	Salaries, allowances and benefits in kind HK\$'000 薪金、津貼 及實物福利 千港元	Pension scheme contributions HK\$'000 退休金計劃 供款 千港元	Total emoluments HK\$'000 酬金總額 千港元
Executive directors:	執行董事：				
Mr. Chim Kim Lun Ricky	詹劍崙先生	120	–	6	126
Mr. Law Fei Shing	羅輝城先生	360	–	12	372
Mr. Sun Danny <sup>2</sup>	Sun Danny 先生 <sup>2</sup>	–	–	–	–
Ms. Yang Lee <sup>2</sup>	Yang Lee 女士 <sup>2</sup>	150	–	–	150
		<b>630</b>	<b>–</b>	<b>18</b>	<b>648</b>
Independent non-executive directors:	獨立非執行董事：				
Mr. Au Kwok Yee Benjamin	歐國義先生	80	–	–	80
Ms. Lau Siu Ngor <sup>3</sup>	劉小娥女士 <sup>3</sup>	80	–	–	80
Mr. Lum Pak Sum <sup>1</sup>	林柏森先生 <sup>1</sup>	80	–	–	80
		<b>240</b>	<b>–</b>	<b>–</b>	<b>240</b>
Total	總計	<b>870</b>	<b>–</b>	<b>18</b>	<b>888</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 11. DIRECTORS' EMOLUMENTS (Continued)

2010

		Fees HK\$'000 袍金 千港元	Salaries, allowances and benefits in kind HK\$'000 薪金、津貼 及實物福利 千港元	Pension scheme contributions HK\$'000 退休金計劃 供款 千港元	Total emoluments HK\$'000 酬金總額 千港元
<b>Executive directors:</b>	<b>執行董事：</b>				
Mr. Chim Kim Lun Ricky	詹劍崙先生	90	–	5	95
Mr. Law Fei Shing	羅輝城先生	360	–	14	374
Mr. Sun Danny <sup>2</sup>	Sun Danny 先生 <sup>2</sup>	–	–	–	–
Mr. Tang Kuan Chien <sup>5</sup>	唐貫健先生 <sup>5</sup>	–	1,324	8	1,332
Ms. Yang Lee <sup>2</sup>	Yang Lee 女士 <sup>2</sup>	23	–	–	23
		473	1,324	27	1,824
<b>Independent non-executive directors:</b>	<b>獨立非執行董事：</b>				
Mr. Au Kwok Yee Benjamin	歐國義先生	80	–	–	80
Mr. Hung Shean- <sup>6</sup>	洪顯一先生 <sup>6</sup>	50	–	–	50
Ms. Lau Siu Ngor <sup>3</sup>	劉小娥女士 <sup>3</sup>	44	–	–	44
Ms. Leung Sin Man Livia <sup>4</sup>	梁倩雯女士 <sup>4</sup>	49	–	–	49
Mr. Lum Pak Sum <sup>1</sup>	林柏森先生 <sup>1</sup>	–	–	–	–
Mr. Wong Nai Ping <sup>7</sup>	黃乃平先生 <sup>7</sup>	–	–	–	–
		223	–	–	223
<b>Total</b>	<b>總計</b>	<b>696</b>	<b>1,324</b>	<b>27</b>	<b>2,047</b>

- <sup>1</sup> Appointed on 31 March 2010
- <sup>2</sup> Appointed on 8 March 2010 and resigned on 24 September 2010
- <sup>3</sup> Appointed on 14 September 2009
- <sup>4</sup> Appointed on 19 August 2009 and resigned on 31 March 2010
- <sup>5</sup> Resigned on 2 November 2009
- <sup>6</sup> Resigned on 14 September 2009
- <sup>7</sup> Resigned on 19 August 2009

There was no arrangement under which a director waived or agreed to waive any emoluments during the year (2010: Nil).

### 11. 董事酬金 (續)

二零一零年

		Fees HK\$'000 袍金 千港元	Salaries, allowances and benefits in kind HK\$'000 薪金、津貼 及實物福利 千港元	Pension scheme contributions HK\$'000 退休金計劃 供款 千港元	Total emoluments HK\$'000 酬金總額 千港元
<b>Executive directors:</b>	<b>執行董事：</b>				
Mr. Chim Kim Lun Ricky	詹劍崙先生	90	–	5	95
Mr. Law Fei Shing	羅輝城先生	360	–	14	374
Mr. Sun Danny <sup>2</sup>	Sun Danny 先生 <sup>2</sup>	–	–	–	–
Mr. Tang Kuan Chien <sup>5</sup>	唐貫健先生 <sup>5</sup>	–	1,324	8	1,332
Ms. Yang Lee <sup>2</sup>	Yang Lee 女士 <sup>2</sup>	23	–	–	23
		473	1,324	27	1,824
<b>Independent non-executive directors:</b>	<b>獨立非執行董事：</b>				
Mr. Au Kwok Yee Benjamin	歐國義先生	80	–	–	80
Mr. Hung Shean- <sup>6</sup>	洪顯一先生 <sup>6</sup>	50	–	–	50
Ms. Lau Siu Ngor <sup>3</sup>	劉小娥女士 <sup>3</sup>	44	–	–	44
Ms. Leung Sin Man Livia <sup>4</sup>	梁倩雯女士 <sup>4</sup>	49	–	–	49
Mr. Lum Pak Sum <sup>1</sup>	林柏森先生 <sup>1</sup>	–	–	–	–
Mr. Wong Nai Ping <sup>7</sup>	黃乃平先生 <sup>7</sup>	–	–	–	–
		223	–	–	223
<b>Total</b>	<b>總計</b>	<b>696</b>	<b>1,324</b>	<b>27</b>	<b>2,047</b>

- <sup>1</sup> 於二零一零年三月三十一日獲委任
- <sup>2</sup> 於二零一零年三月八日獲委任及於二零一零年九月二十四日辭任
- <sup>3</sup> 於二零零九年九月十四日獲委任
- <sup>4</sup> 於二零零九年八月十九日獲委任及於二零一零年三月三十一日辭任
- <sup>5</sup> 於二零零九年十一月二日辭任
- <sup>6</sup> 於二零零九年九月十四日辭任
- <sup>7</sup> 於二零零九年八月十九日辭任

年內並無董事放棄或同意放棄任何酬金之安排 (二零一零年：無)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 12. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included three (2010: two) directors, details of whose emoluments are set out in note 11 above. Details of the emoluments of the remaining two (2010: three) non-directors, highest paid employees for the year are as follows:

		2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	240	428
Pension scheme contributions	退休金計劃供款	12	12
		<b>252</b>	<b>440</b>

The emoluments of the two (2010: three) non-directors, highest paid employees fell within the band of nil to HK\$1,000,000.

During the year, no emoluments were paid by the Group to the directors of the Company or any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office (2010: Nil).

### 13. (LOSS)/EARNINGS PER SHARE

The calculation of the basic and diluted (loss)/earnings per share attributable to the owners of the Company is based on the following data:

#### From continuing and discontinued operations

		2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元
<b>(Loss)/Earnings</b>	<b>(虧損)/盈利</b>		
(Loss)/Profit for the year attributable to owners of the Company for the purpose of basic and diluted (loss)/earnings per share	用以計算每股基本及攤薄(虧損)/盈利之本公司擁有人應佔年度(虧損)/溢利	<b>(204,682)</b>	3,520

### 12. 五位最高薪酬僱員

年內，五位最高薪酬僱員包括三位（二零一零年：兩位）董事，彼等之酬金詳情載於上文附註11。餘下兩位（二零一零年：三位）非董事最高薪酬僱員於年內之酬金詳情如下：

	2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元
Salaries, allowances and benefits in kind	240	428
Pension scheme contributions	12	12
	<b>252</b>	<b>440</b>

兩位（二零一零年：三位）非董事最高薪酬僱員之酬金屬於零至1,000,000港元酬金組別。

年內，本集團概無為了吸引本公司董事或任何五位最高薪酬人士加入本集團或作為離職之補償而向彼等支付任何款項（二零一零年：無）。

### 13. 每股(虧損)/盈利

本公司擁有人應佔每股基本及攤薄(虧損)/盈利乃按以下數據計算：

#### 來自持續及終止經營業務

	2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元
<b>(Loss)/Earnings</b>		
(Loss)/Profit for the year attributable to owners of the Company for the purpose of basic and diluted (loss)/earnings per share	<b>(204,682)</b>	3,520

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 13. (LOSS)/EARNINGS PER SHARE (Continued)

#### From continuing and discontinued operations (Continued)

		2011 '000 二零一一年 千股	2010 '000 二零一零年 千股
<b>Number of shares</b>	<b>股份數目</b>		
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share	用以計算每股基本(虧損)/盈利之普通股加權平均股數	<b>2,170,220</b>	579,534
Effect of diluted ordinary shares – convertible preference shares	普通股之攤薄影響 – 可換股優先股		596,467
Weighted average number of ordinary shares for the purpose of diluted earnings per share	用以計算每股攤薄盈利之普通股加權平均股數		<u>1,176,001</u>

#### From continuing operations

		2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元
<b>(Loss)/Earnings</b>	<b>(虧損)/盈利</b>		
(Loss)/Profit for the purpose of basic and diluted (loss)/earnings per share from continuing operations	用以計算持續經營業務每股基本及攤薄(虧損)/盈利之(虧損)/溢利	<b>(204,682)</b>	1,514

		2011 '000 二零一一年 千股	2010 '000 二零一零年 千股
<b>Number of shares</b>	<b>股份數目</b>		
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share	用以計算每股基本(虧損)/盈利之普通股加權平均股數	<b>2,170,220</b>	579,534
Effect of diluted ordinary shares – convertible preference shares	普通股之攤薄影響 – 可換股優先股		596,467
Weighted average number of ordinary shares for the purpose of diluted earnings per share	用以計算每股攤薄盈利之普通股加權平均股數		<u>1,176,001</u>



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 13. (LOSS)/EARNINGS PER SHARE (Continued)

#### From discontinued operations

		2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元
<b>Earnings</b>	<b>盈利</b>		
Profit for the purpose of basic and diluted earnings per share from discontinued operations	用以計算終止經營業務每股基本及攤薄盈利之溢利	-	2,006
<b>Number of shares</b>		2011 '000 二零一一年 千股	2010 '000 二零一零年 千股
Weighted average number of ordinary shares for the purpose of basic earnings per share	股份數目 用以計算每股基本盈利之普通股加權平均股數	2,170,220	579,534
Effect of diluted ordinary shares – convertible preference shares	普通股之攤薄影響 – 可換股優先股		596,467
Weighted average number of ordinary shares for the purpose of diluted earnings per share	用以計算每股攤薄盈利之普通股加權平均股數		1,176,001

No diluted loss per share for the year ended 31 March 2011 has been presented because the conversion of convertible preference shares would result in a decrease in loss per share.

### 13. 每股(虧損)/盈利(續)

#### 來自終止經營業務

		2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元
<b>Earnings</b>	<b>盈利</b>		
Profit for the purpose of basic and diluted earnings per share from discontinued operations	用以計算終止經營業務每股基本及攤薄盈利之溢利	-	2,006
<b>Number of shares</b>		2011 '000 二零一一年 千股	2010 '000 二零一零年 千股
Weighted average number of ordinary shares for the purpose of basic earnings per share	股份數目 用以計算每股基本盈利之普通股加權平均股數	2,170,220	579,534
Effect of diluted ordinary shares – convertible preference shares	普通股之攤薄影響 – 可換股優先股		596,467
Weighted average number of ordinary shares for the purpose of diluted earnings per share	用以計算每股攤薄盈利之普通股加權平均股數		1,176,001

截至二零一一年三月三十一日止年度並無呈列每股攤薄虧損，因為轉換可換股優先股可導致每股虧損減少。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 14. PROPERTY, PLANT AND EQUIPMENT

### 14. 物業、廠房及設備

		Furniture, fixture, equipment and motor vehicles HK\$'000 傢俬、固定裝置、 設備及汽車 千港元
<b>COST</b>	<b>成本</b>	
At 1 April 2009	於二零零九年四月一日	1,401
Additions	添置	344
Acquisition of subsidiaries (note 26)	收購附屬公司(附註26)	13
Write-off	撇銷	(1,401)
Exchange realignment	外匯調整	1
		<hr/>
At 31 March 2010	於二零一零年三月三十一日	358
Exchange realignment	外匯調整	53
		<hr/>
At 31 March 2011	於二零一一年三月三十一日	411
		<hr/>
<b>DEPRECIATION</b>	<b>折舊</b>	
At 1 April 2009	於二零零九年四月一日	1,393
Charge for the year	年度開支	15
Eliminated on write-off	撇銷時抵銷	(1,395)
		<hr/>
At 31 March 2010	於二零一零年三月三十一日	13
Charge for the year	年度開支	75
Exchange realignment	外匯調整	9
		<hr/>
At 31 March 2011	於二零一一年三月三十一日	97
		<hr/>
<b>CARRYING VALUE</b>	<b>賬面值</b>	
At 31 March 2011	於二零一一年三月三十一日	314
		<hr/>
At 31 March 2010	於二零一零年三月三十一日	345
		<hr/>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 15. EXPLORATION AND EVALUATION ASSETS

### 15. 勘探及評估資產

		HK\$'000 千港元
<b>COST</b>	<b>成本</b>	
Acquired on acquisition of subsidiaries (note 26)	因收購附屬公司而購入(附註26)	813
Addition	添置	50
At 31 March 2010	於二零一零年三月三十一日	863
Addition	添置	1,681
Exchange realignment	外匯調整	293
At 31 March 2011	於二零一一年三月三十一日	2,837

### 16. MINING RIGHTS

### 16. 採礦權

		HK\$'000 千港元
<b>COST</b>	<b>成本</b>	
Acquired on acquisition of subsidiaries (note 26) and balance at 31 March 2010 and 31 March 2011	因收購附屬公司而購入(附註26)及於二零一零年三月三十一日及二零一一年三月三十一日之結餘	1,001,130
<b>AMORTISATION</b>	<b>攤銷</b>	
Charged for the year and balance at 31 March 2010	年度開支及於二零一零年三月三十一日之結餘	-
Impairment loss recognised	已確認之減值虧損	265,473
At 31 March 2011	於二零一一年三月三十一日	265,473
<b>CARRYING VALUE</b>	<b>賬面值</b>	
At 31 March 2011	於二零一一年三月三十一日	735,657
At 31 March 2010	於二零一零年三月三十一日	1,001,130

The mining rights represent the rights to conduct mining activities in the location of Nogoonnur Soum and Tsengel Soum of Bayan-Ulgii Aimag in Mongolia, and have legal lives of 21 to 26 years, expiring in July 2031, March 2033, December 2035 and July 2036, respectively. The mining operating licenses are issued by Mineral Resources and Petroleum Authority of Mongolia and may be extended for two successive additional periods of 20 years each. In the opinion of the directors, the application for extension is procedural and the Group should be able to renew its mining operation licenses at minimal charges, until all the proven and probable minerals have been mined.

採礦權代表可於蒙古巴彥烏列蓋省瑯貢諾爾市及臣格勒市進行採礦活動之權利，法定年期分別為二十一年至二十六年，分別於二零一一年七月、二零一三年三月、二零一五年十二月及二零一六年七月屆滿。礦產開採執照乃由蒙古礦產資源及石油管理局發出，可連續續期兩次，每次20年。董事認為，申請續期僅須完成相關程序，故本集團可以續期礦產開採執照而毋須重大成本，直至所有探明及估計之礦藏已全被開採為止。

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## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 16. MINING RIGHTS (Continued)

The mining rights are amortised using the units of production method based on the proven and probable mineral reserves under the assumption that the Group can renew the mining rights indefinitely till all proven reserves have been mined.

During the year, the directors of the Company reassessed the recoverable amount of the mining rights with reference to the valuation performed by Messrs. Norton Appraisals Limited, an independent qualified professional valuer and determined that an impairment loss of HK\$265,473,000 in respect of mining rights was identified. The recoverable amount of the mining rights was based on value-in-use calculations and key assumptions adopted include estimated mine reserves based on technical assessment reports and the expectation for market development.

### 17. TRADE RECEIVABLES

The Group's trading terms with its customers generally ranging from 60 – 90 days. Overdue balances are reviewed regularly by senior management.

### 16. 採礦權 (續)

採礦權乃根據探明及估計礦產儲量為基準，利用單位生產法計算攤銷，當中假設本集團可無限期重續採礦權，直至所有探明儲量採盡為止。

年內，本公司董事參考獨立合資格專業估值師普敦國際評估有限公司所作之估值，重估採礦權之可收回金額，並釐訂採礦權之減值虧損為265,473,000港元。採礦權之可收回金額乃按使用值之計算方法釐定，而採納之主要假設包括以技術評估報告為基準的估計礦產儲量及對市場發展的預期。

### 17. 貿易應收賬款

	2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元
Trade receivables 貿易應收賬款	1,323	5,591

本集團與客戶訂立之信貸期一般介乎60日至90日。高級管理層將定期檢討逾期結餘。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 17. TRADE RECEIVABLES (Continued)

The aging analysis of the trade receivables net of allowance for doubtful debts at the end of the reporting period is as follows:

Within 30 days	30日內
31 to 60 days	31日至60日
61 to 90 days	61日至90日

The Group's trade receivables balance are neither past due nor impaired as at the reporting date. The Group does not hold any collateral over these balances. Based on past experience, the directors of the Company believe that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

### 18. BANK BALANCES AND CASH

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less. The bank deposits carry interest at the prevailing market interest rate.

Included in bank balances and cash are pledged bank deposits of HK\$1,262,000 at 31 March 2011 (2010: Nil) which are pledged to a bank to secure short-term banking facilities of the Group.

### 17. 貿易應收賬款 (續)

於報告期末，貿易應收賬款減呆賬撥備後之賬齡分析如下：

	2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元
Within 30 days	–	349
31 to 60 days	1,323	2,087
61 to 90 days	–	3,155
	<b>1,323</b>	<b>5,591</b>

本集團之貿易應收賬款結餘於報告日期並無逾期或減值。本集團並無就該等結餘持有任何抵押品。由於信貸質素並無重大變動及仍然認為結餘可以完全收回，根據過往經驗，本公司董事相信並無必要就該等結餘作出減值撥備。

### 18. 銀行結餘及現金

銀行結餘及現金包括本集團持有之現金以及原到期日為三個月或以內之短期銀行存款。該等銀行存款按現行市場利率計息。

於二零一一年三月三十一日，銀行結餘及現金包括已抵押予銀行作為授予本集團短期銀行貸款之已抵押銀行存款1,262,000港元（二零一零年：無）。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 19. TRADE AND BILLS PAYABLES

The aging analysis of the trade and bills payables presented based on the invoice date at the end of the reporting period is as follows:

		2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元
Within 30 days	30日內	–	322
31 to 60 days	31日至60日	–	1,925
61 to 90 days	61日至90日	<b>1,262</b>	2,908
		<b>1,262</b>	5,155

### 19. 應付貿易賬款及票據

於報告期末，按發票日期呈列之應付貿易賬款及票據之賬齡分析如下：

### 20. PROMISSORY NOTES

The movement of the promissory notes are set out as below:

		HK\$'000 千港元
Principal sum on date of issue	於發行日期之本金總額	23,000
Fair value adjustments	公平值調整	(3,037)
At initial recognition	首次確認	19,963
Interest charge	利息費用	644
Early repayment	提前償還	(2,000)
At 31 March 2010	於二零一零年三月三十一日	18,607
Interest charge	利息費用	1,616
Interest payment	利息款項	(9)
Early repayment	提前償還	(1,000)
At 31 March 2011	於二零一一年三月三十一日	<u>19,214</u>

### 20. 承兌票據

承兌票據之變動載列如下：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 20. PROMISSORY NOTES (Continued)

On 31 December 2009, the Group issued the promissory notes with principal amount of HK\$23,000,000 as part of the purchase consideration for the acquisition of subsidiaries (note 26). The promissory notes carry a coupon interest rate of 1% per annum and will be matured at the end of the 36 months (as extend from original 24 months) after issue. The fair value of the promissory notes on the date of the issue was HK\$19,963,000, determined using cash flow discounted at the effective interest rate of 8.45%.

### 21. DEFERRED TAX LIABILITIES

The followings are the deferred tax liabilities/assets recognised and movements thereof during the current and prior years:

		Fair value adjustment on mining rights 採礦權之 公平值調整 HK\$'000 千港元
Acquisition of subsidiaries (note 26) and balance at 31 March 2010	收購附屬公司(附註26)及於二零一零年 三月三十一日之結餘	230,281
Credit to profit or loss (note)	計入損益(附註)	(66,368)
At 31 March 2011	於二零一一年三月三十一日	<u>163,913</u>

Note: This represents the deferred tax assets recognised in relation to impairment loss on mining rights during the year as set out in note 16.

At the end of the reporting period, the Group had estimated unused tax losses of approximately HK\$58,451,000 (2010: HK\$56,921,000) available for offset against future profits. No deferred tax asset has been recognised in respect of such tax losses due to the unpredictability of future profit streams. The estimated tax losses may be carried forward indefinitely.

### 20. 承兌票據(續)

於二零零九年十二月三十一日，本集團發行本金額23,000,000港元之承兌票據，作為收購附屬公司之其中一部分購買代價(附註26)。承兌票據之票面利率為每年1%，並將於發行後三十六個月(自原來的二十四個月延長)屆滿時到期。於發行日期，承兌票據之公平值為19,963,000港元，有關金額乃利用按8.45%實際利率貼現之現金流量釐定。

### 21. 遞延稅項負債

本年度及過往年度已確認之遞延稅項負債／(資產)及變動如下：

附註：指附註16所述於年內就採礦權之減值虧損確認之遞延稅項資產。

於報告期末，本集團之未動用稅項虧損估計約為58,451,000港元(二零一零年：56,921,000港元)可用以抵銷未來溢利。由於未來溢利來源之不可預測性，並無就該等稅項虧損確認遞延稅項資產。估計之稅項虧損可無限期結轉。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 22. SHARE CAPITAL

### 22. 股本

	Notes 附註	Number of shares '000 股份數目 千股	Amount HK\$'000 金額 千港元
<b>Authorised:</b>			
<u>Ordinary shares</u>			
Ordinary shares of HK\$0.1 each at 1 April 2009		20,000,000	2,000,000
Redesigned as convertible preference shares	(a)	(2,716,667)	(271,667)
Ordinary shares of HK\$0.1 each at 31 March 2010 and 31 March 2011		17,283,333	1,728,333
<u>Preference shares</u>			
Preference shares of HK\$0.1 each at 1 April 2009		-	-
Redesigned from ordinary shares	(a)	2,716,667	271,667
Preference shares of HK\$0.1 each at 31 March 2010 and 31 March 2011		2,716,667	271,667
<b>Issued and fully paid:</b>			
<u>Ordinary shares</u>			
At 1 April 2009		436,896	43,690
Issue of new shares	(b)	80,000	8,000
Conversion of convertible preference shares	(c)	996,000	99,600
At 31 March 2010		1,512,896	151,290
Conversion of convertible preference shares	(c)	1,156,667	115,667
At 31 March 2011		2,669,563	266,957
<u>Preference shares</u>			
At 1 April 2009		-	-
Issue of convertible preference shares	(d)	2,716,667	271,667
Conversion of convertible preference shares	(c)	(996,000)	(99,600)
At 31 March 2010		1,720,667	172,067
Conversion of convertible preference shares	(c)	(1,156,667)	(115,667)
At 31 March 2011		564,000	56,400
Total		3,233,563	323,357



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 22. SHARE CAPITAL (Continued)

Notes:

- (a) Pursuant to an ordinary resolution passed by the shareholders of the Company at a special general meeting held on 2 December 2009, the creation of 2,716,666,666 convertible preference shares of HK\$0.1 each of the Company was approved and the authorised share capital of the Company was redesigned into 17,283,333,334 ordinary shares of HK\$0.1 each and 2,716,666,666 convertible preference shares of HK\$0.1 each.
- (b) Pursuant to the subscription agreement with Excellent Create International Limited (the "Subscriber") dated 8 July 2009, the Subscriber subscribed for 80,000,000 new shares of the Company with par value of HK\$0.1 ("Subscription Shares") at a price of HK\$0.282 per Subscription Share.
- (c) During the year, 1,156,666,667 ordinary shares (2010: 996,000,000 ordinary shares) of HK\$0.1 each were issued pursuant to the exercise of the convertible preference shares at a conversion price of HK\$0.3 per share.
- (d) On 31 December 2009, the Company issued 2,716,666,666 convertible preference shares of par value of HK\$0.10 at a conversion price of HK\$0.30 each as part of the purchase consideration for the acquisition of subsidiaries (note 26). The fair value of the convertible preference shares as at 31 December 2009 amounted to approximately HK\$649,735,000. The amount in excess of the par value of the convertible preference shares was credited to the share premium in the equity of the Company (note 25(b)).

The major terms of the above mentioned convertible preference shares are set out below:

Holder of each convertible preference share shall have the same entitlement to dividend as holder of the number of ordinary shares into which such convertible preference shares may be converted upon exercise of conversion rights attached thereto.

### 22. 股本 (續)

附註:

- (a) 根據於二零零九年十二月二日舉行之股東特別大會上由本公司股東通過之普通決議案，已批准增設2,716,666,666股每股面值0.1港元之本公司可換股優先股，而本公司之法定股本轉換為17,283,333,334股每股面值0.1港元之普通股及2,716,666,666股每股面值0.1港元之可換股優先股。
- (b) 根據於二零零九年七月八日與卓創國際有限公司(「認購人」)訂立之認購協議，認購人認購80,000,000股本公司每股面值0.1港元之新股份(「認購股份」)，作價每股認購股份0.282港元。
- (c) 年內，根據可換股優先股按每股0.3港元之換股價獲行使，1,156,666,667股(二零一零年：996,000,000股)每股面值0.1港元之普通股已予以發行。
- (d) 於二零零九年十二月三十一日，本公司以換股價每股0.30港元發行2,716,666,666股每股面值0.10港元之可換股優先股，以作為收購附屬公司之其中一部分購買代價(附註26)。於二零零九年十二月三十一日，可換股優先股之公平值為約649,735,000港元。超出可換股優先股面值之款額乃計入本公司權益股份溢價(附註25(b))。

上述可換股優先股之主要條款載列如下：

每名可換股優先股持有人有權收取之股息，與於行使可換股優先股附帶之換股權時有關可換股優先股可轉換之普通股數目之持有人相同。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 22. SHARE CAPITAL (Continued)

The convertible preference shares are convertible at the option of the holder at any time after the date on which the convertible preference share is allotted and issued.

No conversion right attaching to the convertible preference shares may be exercised, to the extent that following such exercise, the relevant holder convertible preference shares and parties acting in concert with it, taken together, will directly or indirectly, control or be interested in 30% or more of the entire issued shares (or in such lower percentage as may from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer. No holders of convertible preference shares shall exercise the conversion right attached to any convertible preference shares held by such holder(s) of preference shares if immediately after such conversion, the public float of the shares falls below the minimum public float requirements stipulated under the Listing Rules or as required by the Stock Exchange.

No conversion rights attaching to the convertible preference shares may be exercised by any holders of convertible preference shares who is a restricted holder, i.e. a holder of the convertible preference shares who is a resident or national of any jurisdiction other than Hong Kong under the laws and regulations of which an exercise of conversion rights by such holder of the convertible preference shares or the performance by the Company of the obligations expressed to be assumed by it under the Bye-laws or the allotment and issue and holding of the conversion shares cannot be carried out lawfully or cannot be carried out lawfully without the Company first having to take certain actions in such jurisdiction.

Where any convertible preference share is intended to be transferred to a connected person of the Company (other than the associates of the transferring holder of the convertible preference shares), such transfer shall comply with the requirements under the Listing Rules and/or requirements imposed by the Stock Exchange (if any).

The convertible preference shares rank (i) in priority to the ordinary shares of the Company and any other shares of the Company as to return of capital, and (ii) pari passu with ordinary shares of the Company as to dividends.

### 22. 股本 (續)

持有人可選擇於可換股優先股配發及發行日期後任何時間轉換可換股優先股。

倘若於行使可換股優先股所附之換股權後，相關可換股優先股持有人及與其一致行動人士合計將直接或間接控制或擁有全部已發行股份30%或以上或收購守則不時所指定觸發強制全面收購建議之較低百分比，則不可行使有關換股權。倘若於緊隨可換股優先股持有人行使其持有之任何可換股優先股所附之換股權後，股份之公眾持股量低於上市規則所訂或聯交所要求之最低公眾持股量規定，則有關可換股優先股持有人不得行使有關之換股權。

任何為受限制持有之可換股優先股持有人不得行使可換股優先股所附之換股權。受限制持有人指身為香港以外任何司法權區之居民或國民之可換股優先股持有人，而根據當地法律及規例，該可換股優先股持有人行使換股權，或本公司履行章程細則明確規定須承擔之責任，或配發、發行及持有兌換股份概不能合法進行，或倘未經本公司先於該司法權區採取若干行動則無法合法進行。

倘可換股優先股持有人有意將任何可換股優先股轉讓予本公司之關連人士（轉讓可換股優先股之持有人之聯繫人士除外），有關轉讓須遵守上市規則之規定及／或聯交所之規定（如有）。

可換股優先股(i)較本公司普通股及本公司任何其他股份優先發還股本，及(ii)就股息而言與本公司普通股享有同等地位。

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### 22. SHARE CAPITAL (Continued)

On winding up of the Company, the holder of the convertible preference shares shall be entitled to the return of capital on the basis of the value of HK\$0.30 attributed to each convertible preference share.

Holders of the convertible preference shares (in their capacity as such) will not be permitted to attend or vote at meetings of the Company, unless a resolution is proposed to vary the rights of holders of the convertible preference shares or a resolution is proposed for the winding up of the Company.

The convertible preference shares are not listed on any stock exchange.

### 23. SHARE OPTION SCHEME

At the annual general meeting of shareholders held on 19 August 2003, a new share option scheme, details of which appeared in a circular to shareholders of 25 July 2003, was approved.

On 25 September 2006, the Company has granted 281,000,000 share options to directors and employees at exercise price of HK\$0.035 per share.

On 14 December 2006, the Company passed a resolution of capital reorganisation by the shareholders at the special general meeting involving:

- the capital reduction involves a reduction in the nominal value of each existing share in issue of HK\$0.01 to HK\$0.005;
- the share consolidation will be implemented whereby 20 existing shares of HK\$0.005 each in the issued or unissued share capital of the Company resulting from the capital reduction will be consolidated into one consolidated share of HK\$0.10.

### 22. 股本 (續)

本公司清盤時，可換股優先股之持有人有權按每股可換股優先股0.30港元獲發還股本。

除非提呈決議案更改可換股優先股持有人的權利或將本公司清盤，否則可換股優先股之持有人（按其有關身份）將不獲准出席本公司之會議或於會上投票。

可換股優先股並無於任何證券交易所上市。

### 23. 購股權計劃

於二零零三年八月十九日召開之股東週年大會上，新購股權計劃獲批准，其詳情見二零零三年七月二十五日致股東之通函。

於二零零六年九月二十五日，本公司以行使價每股0.035港元授予董事及僱員281,000,000份購股權。

於二零零六年十二月十四日，本公司股東於股東特別大會通過一項股本重組決議案，當中涉及：

- 削減股本，將每股已發行現有股份之面值由0.01港元減至0.005港元；
- 實行股份合併，將本公司已發行及未發行股本中因股本削減所產生之每20股每股面值0.005港元之現有股份合併為一股面值為0.10港元之合併股份。

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### 23. SHARE OPTION SCHEME (Continued)

As a result, the share options exercise price need to be consolidated at HK\$0.70 per share and the number of share options granted need to be consolidated to 14,050,000 share options on 15 December 2006.

All the share options granted were expired and no outstanding share options remained for the years ended 31 March 2011 and 31 March 2010.

### 24. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 23. 購股權計劃 (續)

因此，於二零零六年十二月十五日，購股權之行使價須合併為每股0.70港元，而所授出購股權數目須合併為14,050,000份購股權。

於截至二零一一年三月三十一日及二零一零年三月三十一日止年度，所有已授出購股權已屆滿，且並無尚未行使購股權。

### 24. 本公司之財務狀況報表

	Notes 附註	2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元
<b>Non-current asset</b>			
Investments in subsidiaries		–	1,378
<b>Current assets</b>			
Trade receivables		1,323	–
Prepayments		379	266
Amounts due from subsidiaries		735,670	758,557
Bank balances and cash	18	5,773	9,409
		<b>743,145</b>	<b>768,232</b>
<b>Current liabilities</b>			
Trade and bills payables		1,262	–
Other payables and accruals		1,613	1,576
Amounts due to subsidiaries		3,308	3,308
		<b>6,183</b>	<b>4,884</b>
<b>Net current assets</b>		<b>736,962</b>	<b>763,348</b>
<b>Net assets</b>		<b>736,962</b>	<b>764,726</b>
<b>Capital and reserves</b>			
Share capital	22	323,357	323,357
Reserves	25	413,605	441,369
<b>Total equity</b>		<b>736,962</b>	<b>764,726</b>

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### 25. RESERVES

#### (a) The Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity.

##### *Contributed surplus*

The contributed surplus of the Group arose as a result of the Group reorganisation prior to its public listing on 2 October 1995 and represents the difference between the nominal value of the shares of the former holding company of the Group acquired pursuant to the Group reorganisation, over the nominal value of the shares of the Company issued in exchange therefore.

#### (b) The Company

### 25. 儲備

#### (a) 本集團

本集團之儲備及其於年內及過往年度變動之金額已載於綜合權益變動表內。

##### *實繳盈餘*

本集團之實繳盈餘因本集團於一九九五年十月二日公開上市前進行集團重組而產生，乃相等於根據本集團重組而收購本集團前控股公司之股份面值，較因該宗收購而發行之本公司股份面值高出之差額。

#### (b) 本公司

		Share premium HK\$'000 股份溢價 千港元	Contributed surplus HK\$'000 實繳盈餘 千港元	Accumulated losses HK\$'000 累計虧損 千港元	Total HK\$'000 總計 千港元
At 1 April 2009	於二零零九年 四月一日	30,420	159,393	(153,869)	35,944
Profit for the year	年內溢利	-	-	12,797	12,797
Issue of new shares	發行新股	14,560	-	-	14,560
Issue of convertible preference shares	發行可換股優先股	378,068	-	-	378,068
At 31 March 2010	於二零一零年 三月三十一日	423,048	159,393	(141,072)	441,369
Loss for the year	年內虧損	-	-	(27,764)	(27,764)
At 31 March 2011	於二零一一年三月 三十一日	423,048	159,393	(168,836)	413,605

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## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 26. ACQUISITION OF SUBSIDIARIES

On 31 December 2009, the Group acquired the entire issued share capital of Prolific Rich Limited and Grand Shining Limited which are limited liability companies incorporated in British Virgin Islands. Prolific Rich Limited and Grand Shining Limited hold the entire issued shares in Kainarwolfram LLC and Ikh Uuliin Erdenes LLC, respectively, both companies being incorporated in Mongolia with limited liabilities, which in turn, hold the interest in mining rights of certain mines in Mongolia.

The fair value of the identifiable assets and liabilities acquired in the transaction are as follows:

### 26. 收購附屬公司

於二零零九年十二月三十一日，本集團收購Prolific Rich Limited及Grand Shining Limited（兩間公司均為於英屬處女群島註冊成立之有限公司）之全部已發行股本。Prolific Rich Limited及Grand Shining Limited分別持有Kainarwolfram LLC及Ikh Uuliin Erdenes LLC（兩間公司均為於蒙古註冊成立之有限公司）之全部已發行股本，而該等公司則於蒙古若干礦場之採礦權中擁有權益。

於交易中收購之可識別資產及負債之公平值載列如下：

		Acquirees' carrying amount before acquisition HK\$'000 合併前被收購公司之賬面值 千港元	Fair value adjustment HK\$'000 公平值調整 千港元	Fair value HK\$'000 公平值 千港元
Property, plant and equipment	物業、廠房及設備	13	–	13
Exploration and evaluation assets	勘探及評估資產	813	–	813
Mining rights	採礦權	80,005	921,125	1,001,130
Bank balances and cash	銀行結餘及現金	23	–	23
Deferred tax liabilities	遞延稅項負債	–	(230,281)	(230,281)
		<b>80,854</b>	<b>690,844</b>	<b>771,698</b>
Total consideration satisfied by:	總代價，以下列各項支付：			
Cash paid	已付現金			102,000
Promissory notes	承兌票據			19,963
Convertible preference shares	可換股優先股			649,735
				<b>771,698</b>
Net cash outflow arising on acquisition:	收購事項所產生之現金流出淨額：			
Cash consideration paid	已付現金代價			102,000
Bank balances and cash	銀行結餘及現金			(23)
				<b>101,977</b>

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## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 27. DISPOSAL OF SUBSIDIARIES

During the year ended 31 March 2010, the Group disposed its entire issued share capital of Best Faith Plastic Products Limited, Bestway Plastic Products Limited and Bestget Plastic Products Limited, which were engaged in the manufacturing and trading of plastic products, and together with Rich Ocean Limited, for a consideration of HK\$78,543,000. The net assets of the disposed subsidiaries at the date of disposal are summarized as follows:

### 27. 出售附屬公司

於截至二零一零年三月三十一日止年度，本集團以代價78,543,000港元出售百信塑膠製品有限公司、百威塑膠製品有限公司及百吉塑膠製品有限公司（此三間公司均從事塑膠產品生產及買賣業務）以及富皇有限公司之全部已發行股本。於出售日期，已出售附屬公司之資產淨值概述如下：

		2010 HK\$'000 二零一零年 千港元
Net assets disposed of:	出售之資產淨值：	
Property, plant and equipment	物業、廠房及設備	57,854
Prepaid lease payments	預付租賃款項	2,993
Long term receivables	長期應收賬款	2,130
Inventories	存貨	15,425
Trade receivables	貿易應收賬款	25,842
Prepayments, deposits and other receivable	預付款項、訂金及其他應收款項	7,019
Pledged deposits	有抵押存款	11,545
Bank balances and cash	銀行結餘及現金	7,686
Trade payables	應付貿易賬款	(10,313)
Other payables and accruals	其他應付賬款及應計款項	(9,528)
Tax payable	應付稅項	(6,162)
Interest-bearing bank and other borrowings	計息銀行及其他借貸	(27,985)
Provision	撥備	(261)
		76,245
Non-controlling interests	非控股權益	(1,998)
Release of exchange fluctuation reserve	轉撥匯兌波動儲備	(4,963)
		69,284
Gain on disposal	出售收益	9,259
Total consideration	總代價	78,543
Satisfied by:	以下列各項支付：	
Cash	現金	78,543
Net cash inflow arising on disposal:	出售事項所產生之現金流入淨額：	
Cash consideration	現金代價	78,543
Bank balances and cash	銀行結餘及現金	(7,686)
		70,857

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## 綜合財務報表附註

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### 28. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debt, comprising promissory notes, and equity attributable to owners of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure on a continues basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the new shares issues, the issue of new debt or the redemption of existing debt.

### 29. FINANCIAL INSTRUMENTS

#### (i) Categories of financial instruments

Financial assets:	財務資產：
Loans and receivables	貸款及應收款項
Financial liabilities:	財務負債：
Amortised cost	撇銷成本

#### (ii) Financial risk management objectives and policies

The Group's major financial instruments include trade receivables, other receivables, bank balances and cash, trade and bills payables, other payables and accruals and promissory notes. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

### 28. 資本風險管理

本集團管理其資本，確保本集團內各公司能夠持續經營，同時亦透過優化負債與權益之平衡而為股東爭取最高回報。本集團整體策略與往年相同。

本集團之資本架構包括債務（包括承兌票據）以及本公司擁有人應佔權益（包括已發行股本及儲備）。

本公司董事持續審閱資本結構。作為此審閱之一環，董事考慮資本成本及與各類別資本相關之風險。本集團將根據董事之建議，透過發行新股、新增債務或贖回現有債務而平衡其整體資本結構。

### 29. 財務工具

#### (i) 財務工具分類

2011 HK\$'000 二零一一年 千港元	2010 HK\$'000 二零一零年 千港元
8,049	16,735
23,996	25,358

#### (ii) 財務風險管理目標及政策

本集團主要財務工具包括貿易應收賬款、其他應收款項、銀行結餘及現金、應付貿易賬款及票據、其他應付賬款及應計款項及承兌票據。財務工具詳情已於各自之附註披露。與此等財務工具相關之風險及如何減低此等風險之政策載列如下。管理層管理及監控此等風險，以確保及時及有效地採取恰當之措施。



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## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 29. FINANCIAL INSTRUMENTS (Continued)

#### (ii) Financial risk management objectives and policies (Continued)

##### *Market risk*

##### *Foreign currency risk*

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the unit's functional currency. The Group reviews its foreign currency exposures regularly and does not consider its foreign exchange risk to be significant.

##### *Interest rate risk*

The Group is exposed to fair value interest rate risk in relation to fixed-rate promissory notes. Currently, the Group does not have hedging policy. However, the management monitors interest rate exposure and will consider hedging significant fixed-rate borrowing should the need arise.

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances. It is the Group's policy to keep its bank balances at floating rate of interests so as to minimise the fair value interest rate risk.

##### *Credit risk*

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations as at 31 March 2011 and 2010 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position. In order to minimise the credit risk, the Group reviews the recoverable amount of each individual trade debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

### 29. 財務工具 (續)

#### (ii) 財務風險管理目標及政策 (續)

##### *市場風險*

##### *外匯風險*

本集團須面對交易貨幣風險。該風險乃由於經營單位以單位之功能貨幣以外之貨幣進行買賣而產生。本集團定期審閱其外匯風險，並認為其外匯風險並不重大。

##### *利率風險*

本集團就定息承兌票據而承受公平值利率風險。目前，本集團並無對沖政策。然而，管理層密切監控利率風險，並將在有需要時考慮對沖重大定息借貸。

本集團就浮息銀行結餘承擔現金流量利率風險。將銀行結餘保持浮息，以減低公平值利率風險，實為本集團之政策。

##### *信貸風險*

倘對手方於二零一一年及二零一零年三月三十一日不予履行其有關各類已確認財務資產之義務，則本集團要承受之最大信貸風險為綜合財務狀況報表所列之該等資產之賬面值。為了盡量減低信貸風險，本集團於各報告期末檢討各項貿易應收賬之可收回數額，以確保就無法收回之數額作出足夠之減值虧損撥備。

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For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

### 29. FINANCIAL INSTRUMENTS (Continued)

#### (ii) Financial risk management objectives and policies (Continued)

##### *Credit risk (Continued)*

The credit risk on liquid funds is limited because the majority of the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group's concentration of credit risk on trade receivables as at 31 March 2011 is mainly from one customer which accounted for 100% (2010: five major customers which accounted for 100%) of trade receivables. The Group has closely monitored the recoverability of trade receivables and taken effective measures to ensure timely collection of outstanding balances.

##### *Liquidity risk*

In management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of borrowing and ensures compliance with loan covenants.

### 29. 財務工具 (續)

#### (ii) 財務風險管理目標及政策 (續)

##### *信貸風險 (續)*

流動資金之信貸風險有限，因有關主要對手方為獲得國際信貸評級機構賦予高信貸評級之銀行。

於二零一一年三月三十一日，本集團之貿易應收賬款信貸風險集中於一名客戶，佔貿易應收賬款100%（二零一零年：五名主要客戶，佔貿易應收賬款100%）。本集團已密切監察貿易應收賬款之可收回程度及採取有效措施，以確保能適時收回未收回餘額。

##### *流動資金風險*

為管控流動資金風險，本集團監察及維持管理層視為足夠之現金及等同現金項目水平，以為本集團之營運提供資金，減低現金流量波動之影響。管理層監控借貸之取用，確保遵守貸款契諾。

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## 綜合財務報表附註

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### 29. FINANCIAL INSTRUMENTS (Continued)

#### (ii) Financial risk management objectives and policies (Continued)

##### Liquidity risk (Continued)

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

		Weighted average effective interest rate %	Less than 1 year or on demand HK\$'000	Over 1 year but less than 5 years HK\$'000	Total undiscounted cash flows HK\$'000	Carrying amount at 31.3.2011 HK\$'000
		加權平均實際利率 %	少於一年或按通知千港元	超過一年但少於五年千港元	未貼現現金流量總額千港元	於二零一一年三月三十一日賬面值千港元
<b>2011</b>	<b>二零一一年</b>					
Trade and bills payables	應付貿易賬款及票據	-	1,262	-	1,262	1,262
Other payables and accruals	其他應付賬款及應計款項	-	3,520	-	3,520	3,520
Promissory notes	承兌票據	8.45	-	20,600	20,600	19,214
			<b>4,782</b>	<b>20,600</b>	<b>25,382</b>	<b>23,996</b>

		Weighted average effective interest rate %	Less than 1 year or on demand HK\$'000	Over 1 year but less than 5 years HK\$'000	Total undiscounted cash flows HK\$'000	Carrying amount at 31.3.2010 HK\$'000
		加權平均實際利率 %	少於一年或按通知千港元	超過一年但少於五年千港元	未貼現現金流量總額千港元	於二零一零年三月三十一日賬面值千港元
<b>2010</b>	<b>二零一零年</b>					
Trade and bills payables	應付貿易賬款及票據	-	5,155	-	5,155	5,155
Other payables and accruals	其他應付賬款及應計款項	-	1,596	-	1,596	1,596
Promissory notes	承兌票據	8.45	-	21,420	21,420	18,578
			<b>6,751</b>	<b>21,420</b>	<b>28,171</b>	<b>25,329</b>

### 29. 財務工具 (續)

#### (ii) 財務風險管理目標及政策 (續)

##### 流動資金風險 (續)

下表按協定之還款條款詳列本集團非衍生財務負債之合約到期情況。該表乃根據本集團可被要求還款的最早日期而釐定之財務負債未貼現現金流量得出。下表包括利息及本金的現金流量。

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### 29. FINANCIAL INSTRUMENTS (Continued)

#### (iii) Fair value

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

### 30. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries as at 31 March 2011 and 31 March 2010 are as follows:

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operations 註冊成立/註冊及經營地點	Issued share/paid-up registered capital 已發行股份/實繳 註冊資本	Percentage of equity attributable to the Company		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Bestway Group International Limited	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1,100	100	-	Investment holding
		1,100美元	100	-	投資控股
Tectron Pacific Limited	British Virgin Islands 英屬處女群島	US\$1	100	-	Investment holding
		1美元	100	-	投資控股
Prolific Rich Limited	British Virgin Islands 英屬處女群島	US\$1	-	100	Investment holding
		1美元	-	100	投資控股
Grand Shining Limited	British Virgin Islands 英屬處女群島	US\$1	-	100	Investment holding
		1美元	-	100	投資控股
Happy Trip Limited	Hong Kong	Ordinary HK\$2 and Deferred	-	100	Sale of plastic products
樂業有限公司	香港	HK\$1,200,000 (note) 普通股2港元及遞延股份 1,200,000 港元(附註)	-	100	銷售塑膠產品
Kainarwolfram LLC	Republic of Mongolia	US\$100,000	-	100	Mining and exploitation of natural resources
	蒙古共和國	100,000美元	-	100	採礦及勘察天然資源
Ikh Uuliin Erdenes LLC	Republic of Mongolia	US\$100,000	-	100	Mining and exploitation of natural resources
	蒙古共和國	100,000美元	-	100	採礦及勘察天然資源

### 29. 財務工具 (續)

#### (iii) 公平值

財務資產及財務負債之公平值乃根據公認定價模式，按照折現現金流量分析釐定。

本公司董事認為，於綜合財務報表中以攤銷成本入賬之財務資產及財務負債之賬面值與其公平值相若。

### 30. 主要附屬公司之詳情

本公司於二零一一年三月三十一日及二零一零年三月三十一日之主要附屬公司之詳情載列如下：

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### 30. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Note: The profits which the company may determine to distribute in respect of any financial year shall be distributed, as regard the first HK\$1,000,000,000,000 thereof among the holders of ordinary shares, with one-half of the remaining balance of the said profits being distributed among the holders of the non-voting deferred shares and the other half of such remaining balance being distributed among the holders of ordinary shares. Save as aforesaid, the non-voting deferred shares carry no other rights to dividends. The non-voting deferred shares carry no rights to attend or vote at general meetings, but carry the rights to receive one-half of the balance of any surplus in a return of capital in a winding-up after the holders of the ordinary shares have received a total return of HK\$500,000,000,000.

None of the subsidiaries had any debt securities subsisting at the end of the year except for Tectron Pacific Limited which has issued HK\$19,214,000 of promissory notes in which the Group has no interest.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

### 30. 主要附屬公司之詳情(續)

附註：公司決定就任何財政年度分派之首1,000,000,000,000港元溢利將分派予各普通股持有人，上述溢利餘額之半將分派予無投票權遞延股份之持有人，而該餘額之另一半則分派予普通股持有人。除上述者外，無投票權遞延股份再無權利享有股息。無投票權遞延股份亦無賦予持有人權利出席股東大會或於會上投票，惟附有權利可於清盤發還股本時，在普通股持有人獲發還股本總額500,000,000,000港元後收取其餘下任何盈餘之一半。

除Tectron Pacific Limited發行了19,214,000港元之承兌票據（本集團於該等票據中並無權益）外，於年末各附屬公司均無任何債務證券。

董事認為，上表載列之本公司附屬公司乃對本集團年內之業績有重大影響，或構成本集團資產淨值之主要部分。董事認為，載列其他附屬公司之詳情會導致有關資料過於冗長。

